

**GORDON COUNTY, GEORGIA**

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***COMPREHENSIVE ANNUAL FINANCIAL REPORT***

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***FISCAL YEAR ENDED JUNE 30, 2014***

***Prepared by:  
Finance Department***

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**Gordon County, Georgia**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2014**

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## *Gordon County Board of Commissioners*

### Board of Commissioners

Becky Hood, Chairman  
Chad Steward, Vice Chairman  
Norris Sexton, Commissioner  
Kevin Cunningham, Commissioner  
Jeff Gazaway, Commissioner

John A. King, III, Administrator  
jking@gordoncounty.org

Annette Berry, County Clerk  
aberry@gordoncounty.org

December 16, 2014

Board of County Commissioners and the  
Citizens of Gordon County, Georgia

### ***Introduction***

Georgia law requires that counties prepare a complete set of financial statements that are presented in conformity with generally accepted accounting principles (GAAP) and audited by a certified public accounting firm. These financial statements are required by the state to be prepared within six months of the end of each fiscal year. Since Gordon County has a fiscal year ending June 30, the state mandated deadline is December 31. Pursuant to that state requirement, enclosed is the Comprehensive Annual Financial Report (CAFR) of Gordon County for the fiscal year ended June 30, 2014.

This CAFR consists of county management's representations concerning the finances of Gordon County. Consequently, management assumes full responsibility for the completeness and reliability of all the information contained in this report. To provide a reasonable basis for making these representations, management of Gordon County has established internal controls that are designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Gordon County financial statements in conformity with GAAP. Because the high cost of internal controls should not outweigh their benefits, the Gordon County framework of internal controls has been designed to provide for reasonable rather than absolute assurance that the financial statements will be free from material misstatements. Management asserts that, to the best of our knowledge and belief, this annual financial report is complete and reliable in all material respects.

The Gordon County financial statements for fiscal year ended June 30, 2014, have been audited by R.M. Dobbs and Company, an auditing firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Gordon County for the fiscal year ended June 30, 2014, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. R.M. Dobbs and Company concluded, based upon the completed audit, that there was a reasonable basis for rendering an unqualified opinion that the Gordon County financial statements for the year ended June 30, 2014, are fairly presented in conformity with GAAP. R.M. Dobbs and Company's audit is presented as the first component of the financial section of this report.

GAAP requires that county 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) report. This letter of transmittal is designed to complement the county's MD&A and should be read in conjunction with it. The Gordon County MD&A can be found immediately following the independent auditors' report.

## ***Profile of the Gordon County Government***

Gordon County is located in the northwest portion of Georgia on I-75, 60 miles north of Atlanta and 45 miles south of Chattanooga, Tennessee. Gordon County encompasses 355 square miles and serves a population of 55,186 according to the 2010 U.S. Census. Gordon County's population increased 25.1% from 2000 to 2010 and increased 1.03% from 2010 to 2013. The county's 2014 population estimate is 55,902. Gordon County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Gordon County was created on February 13, 1850 by an act of the Georgia General Assembly. The county has been operating under a commission-administrator form of government for many years. Policy-making and legislative authority are vested in the five-member Board of County Commissioners that is elected by the voters through at-large elections on a partisan basis. The commissioners serve four year staggered terms. The Board of Commissioners, as the county's governing authority, is responsible for establishing policy for county operations, enacting ordinances and resolutions to promote the county's health, safety, and welfare, and approving the annual budget and millage rate which funds the operations of the constitutional officers, other elected officials, as well as the departments under the Board's jurisdiction. The Board appoints a County Administrator to supervise the day-to-day operations of the county and the Board also appoints the County Clerk, County Attorney, Board of Tax Assessors, Chairman of the Board of Elections and Voter Registration, and the county auditors.

Gordon County government provides a full range of public services including the following:

- Judicial and court services
- Tax assessments and collections
- Law enforcement and jail services
- Voter registration and county and city elections
- Animal control services
- Parks and recreation services
- 911 and emergency management services
- Building inspections
- Code enforcement services
- Senior citizens services
- Road and street maintenance
- Fire protection
- Solid waste collection and disposal
- Public bus transportation services
- Geographic information services

In addition, the county provides financial assistance to numerous agencies that perform services for the county including but not limited to:

- Health and mental health services
- Ambulance services
- Library services
- Airport services
- Economic development services
- Various social services including Family and Children Services, Meals on Wheels, and the Voluntary Action Center

The county's annual budget represents the plan for providing needed public services for each fiscal year and serves as the foundation for the county's financial planning and control. All county department directors, constitutional officers, other elected officials, and outside agencies are required to submit requests for appropriations to the county administrator, who in turn, prepares and submits a recommended budget to the Board of County Commissioners. The Board reviews the recommended budget and conducts a state required budget public hearing to obtain citizen comments. After the public hearing, the Board then adopts the budget no later than June 30 of each year. The approved budget is prepared by fund and department. Department directors, constitutional officers, and other elected officials may make transfers of appropriations between line-items within their departments with the exception of salaries. However, appropriations from the salary line item and transfers between departments require approval from the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

### ***Factors Affecting Financial Conditions***

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

#### ***Local Economy***

During the fiscal year, the local Gordon County economy continued to be relatively stable. The county has seen overall real property tax assessments begin to incline from the previous year, the continuation of home foreclosures, a decrease in building permits, and a decrease in the unemployment rate from 10.2% in June 2013 to 8.5% in June 2014. The Board of Commissioners has also kept the millage rate constant at 9.8 mills for the previous three years and has recently set the 2014 millage rate at 9.747 mills. The county's net taxes levied decreased by 1.781% from the previous fiscal year.

The local Chamber of Commerce continued the "Keep it in the County" campaign increasing from 8 to 14 companies being sponsors. This year's business Expo increased booth participants from 42 to 76 participating partners. These efforts build awareness of the benefits of shopping locally and worked to have the county designated by the state as a "Work Ready" and "Camera Ready" community to boost economic development. In addition, the local Development Authority continued to aggressively recruit new businesses and industrial prospects by showcasing the county's great location, moderate climate, availability of utilities, land, skilled work force, and business incentives.

Below are the projects that impacted the local economy during the fiscal year:

The **industrial sector** saw moderate to strong activity during the year. Mohawk expanded a local spinning plant to accommodate the relocation of their corporate headquarters and designer showroom; resulting in more than 340 executive level jobs coming to Gordon County. Mohawk also invested 4 million dollars in a new product line that will begin running in 2015. LG Hausys America, Inc., a Korean auto supplier, announced a 40 million dollars investment adding over 50 new jobs in Gordon County and construction of a new auto skin facility in the King Industrial Park. A private company has constructed two new spec buildings, one 151,000 s.f. and a 120,000 s.f., in the Calhoun Commerce Center. Shaw Industries now occupies one and the other remains one of the community's main recruiting tools. The Faus Group's land, building and intellectual properties were purchased by QEP with plans to return employment to previous levels. Evco Plastics celebrated 30 years in Gordon County and plans continued growth. Nourison doubled the size of their existing facility as Gordon County prepared for the expansion of the Union Grove Road exit.

The **retail sector** saw both expansions and closings. Popeyes and Church's Chicken established new locations in Gordon County investing 2 million dollars. RaceTrac Travel Center recently opened on Hwy 53 East alongside the newly constructed Dunkin Donuts. Other small business ventures are thriving with the Chamber hosting 34 Ribbon Cuttings for new local business.

Regarding the **tourism sector**, the local hotel-motel tax was increased from 5% to 8% in 2013 to generate funds to promote tourism in the community. The Chamber / CVB completed a research and marketing study which resulted in a new website at ExploreGordonCounty.com and a successful advertising initiative at 3 Atlanta Braves home games. A billboard marketing campaign was also initiated on I-75 to promote local shopping and the 150th anniversary of the Civil War events near the Resaca Battlefield.

Regarding the **government sector**, The Georgia Department of Natural Resources continued the construction of a new Battlefield State Historic Site located on a 483 acre park with over seven miles of walking trails near Resaca. The Georgia Department of Transportation continued construction of three new interchanges, one at I-75/Union Grove Road near the county's industrial parks, another at the Red Bud Road, and the other one at I-75/SR 136 in Resaca directly adjacent to the new Resaca Battlefield State Historic Site.

The county also completed construction of a new \$2.5M Agricultural Service Center to house all local agricultural agencies under one roof. In addition, the county has applied for a Community Development Block Grant to expand the George C. Chambers Resource Center that will enhance services for citizens with developmental disabilities throughout Gordon County which was approved for FY-15 construction.

Gordon County's housing market activity is still below previous years but has begun to stabilize. During fiscal year ending June 30, 2013 42 single family home permits, 29 mobile home permits, and 4 commercial/industrial permits were issued for the unincorporated area of the county, and 8 rezoning cases were heard.

In the **health care sector**, Gordon Hospital began a major construction adding a 59,000 s.f. expansion to the hospital and the renovation of another 11,500 s.f. of existing space. The construction will expand the capacity of the Emergency Department, adding up to 33 patient exam rooms along with new "walk in" and ambulance entrances. The renovation and expansion also includes the new addition of an Intensive Care Unit, a new Patient Care Unit that will house 24 beds, and the relocation of the helipad closer to the new ambulance entrance of the emergency department. Gordon Hospital partnered with Northwest Georgia Medical Group and Owasa Family Medicine to manage these practices as Gordon Hospital Internal and Family Medicine and Gordon Hospital Owasa Family Medicine. To meet healthcare needs for the east side of Gordon County, Gordon Hospital opened Fairmount Family Medicine on State Highway 411. In December 2013, Gordon Hospital was named the number 1 small hospital in the state of Georgia by Georgia Trend magazine and was recognized by The Leapfrog Group for earning an A in patient safety and quality.

Regarding the **education sector**, the Calhoun City School system completed construction of a new 71,730 s.f. gymnasium with six new classrooms and a 77,960 s.f. Middle School with 46 new classrooms as construction continued on a new 16,920 s.f. aquatic center and multipurpose field and track. When completed in FY 2015, the Calhoun Middle and High School Campus will include approximately 341,000 s.f. of new construction plus approximately 46,000 s.f. of existing classrooms and a gym space. The Gordon County School System completed the renovation of Fairmount Elementary School, along with the mid-year opening of Red Bud Middle School. Construction of these city and county facilities was performed with state capital outlay funds and a voter approved 1% Education SPLOST. In August the Gordon County College and Career Academy opened as the 26<sup>th</sup> career academy in the state of Georgia. The academy allows Gordon County to offer all high school aged students in our area pathways in mechatronics, graphic arts, marketing, engineering, and digital technology, with others slated for addition in 2015.

### ***Long-Term Financial Planning and Major Initiatives***

Since Gordon County voters approved the continuation of the 1% SPLOST during 2011 for another six years from April 2012 to March 2018 to raise an estimated \$51.6M to improve the downtown parking deck, county-wide public safety communication system (completed), fire station, health department, animal shelter, courthouse and annex renovations and repairs, expand the senior citizens center and library, install new fire hydrants, perform road maintenance, develop a new park, purchase new Sheriff Office vehicles, and allocate funds to the cities for their capital projects. The county staff is executing a six year construction schedule for those facilities using a pay-as-you-go payment method.

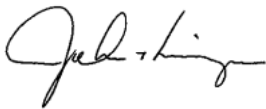
## ***Awards and Acknowledgements***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Gordon County Georgia for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the Gordon County finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John King".

John King  
County Administrator

A handwritten signature in black ink, appearing to read "Al Leonard".

Al Leonard, CPA  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Gordon County  
Georgia**

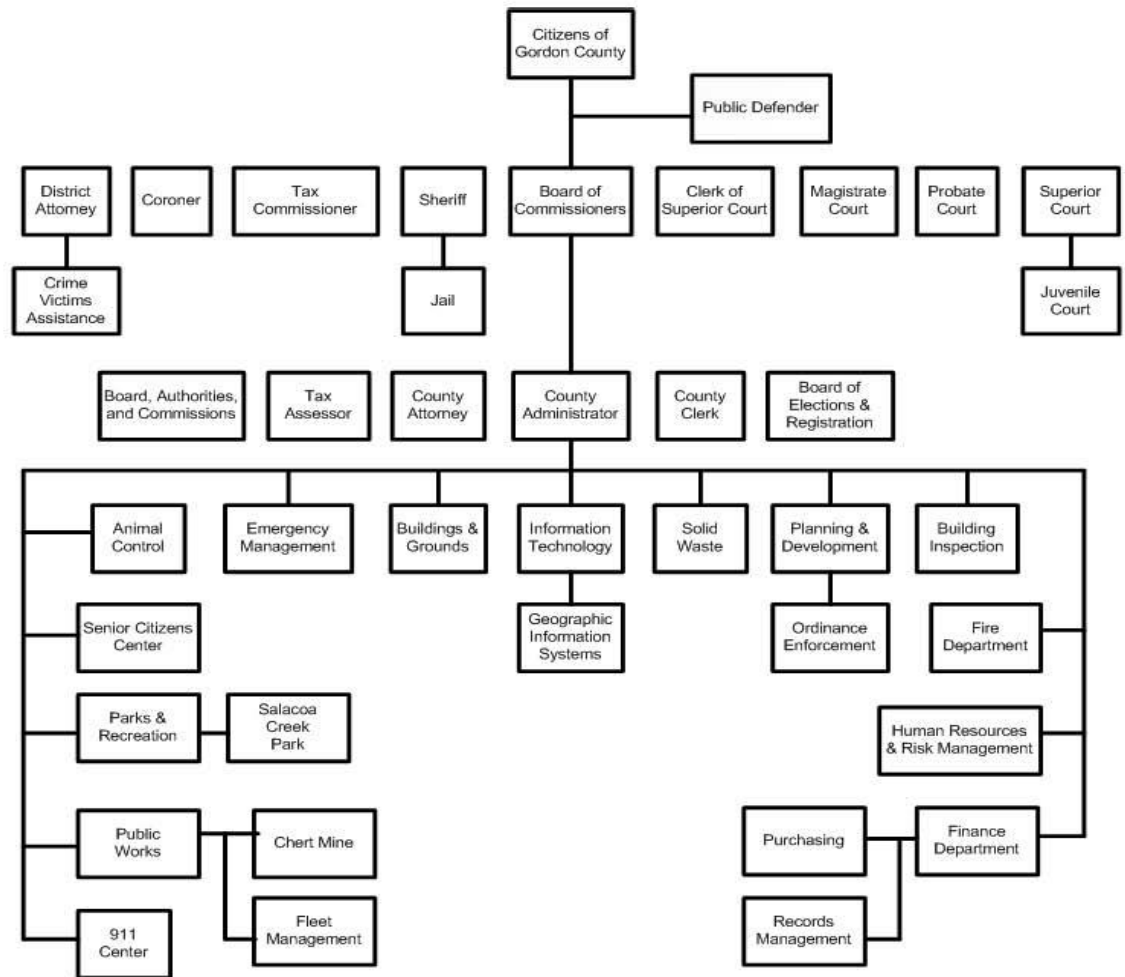
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**



Executive Director/CEO

## Gordon County Organizational Chart



## **Gordon County, Georgia**

### *List of Principal Officials*

*June 30, 2014*

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#### **Board of Commissioners**

Becky Hood  
Chad Steward  
Kevin Cunningham  
Jeff Gazaway  
Norris Sexton

Chairman  
Vice-Chairman  
At-Large  
At-Large  
At-Large

#### **County Administration**

John King  
Annette Berry  
Al Leonard

County Administrator  
County Clerk  
Finance Director

## R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 423  
CALHOUN, GEORGIA 30703-0423  
706-629-4511

JERRY L. CLEMENTS, C.P.A.  
LOUISE MCGOWAN, C.P.A.  
JUDY M. FAGAN, C.P.A.  
JAN C. GOBLE, C.P.A.  
MITZI B. POWELL, C.P.A.

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
AND  
GEORGIA SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Gordon County, Georgia

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gordon County, Georgia, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Gordon County Health Department, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gordon County Health Department, is based solely 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained and the report of the other auditors is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gordon County, Georgia, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Fire Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15-26 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Gordon County, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements and budgetary schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied by us 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014, on our consideration of Gordon 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* in considering Gordon County, Georgia's internal control over financial reporting and compliance.

*A. M. Dobbs & Company*

Calhoun, Georgia  
December 15, 2014

**Gordon County, Georgia**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Unaudited)**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Within this section of the Gordon County, Georgia (County) comprehensive annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2014. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section.

**Financial Highlights**

- The County's total assets exceeded its total liabilities and deferred inflows of resources by \$126,565,751 (net position) for the fiscal year reported. This compares to the previous year when total assets exceeded total liabilities by \$124,393,155.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$86,934,116 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net position of \$16,776,624 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net position of \$22,855,011 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$35,440,027 this year. This compares to the prior year ending fund balance of \$30,545,670 showing an increase of \$4,894,357 during the current year. Unassigned fund balance of \$17,289,391 for fiscal year 2014 shows a \$595,377 increase over the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$17,289,391 or 58.6% of total General Fund expenditures and financing uses.
- Overall, Gordon County, Georgia, continues to maintain a strong financial position.

**Overview of the Financial Statements**

Management's Discussion and Analysis introduces the County's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements.

**Government-wide Financial Statements**

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of the County's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

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An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes and user charges, and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, highways and streets, health and welfare, conservation, housing and development, culture and recreation and planning and zoning. Business-type activities include solid waste management program and the chert operation. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and, additionally, an organization for which the County is accountable (component unit). The component unit, the Gordon County Board of Health, operates independently and provides services directly to the citizens, though the County remains accountable for their activities. The component unit is governed by a board of directors that the County Commission has appointed a majority of its members. The Gordon County Board of Health is reported separately from the primary government though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 27-28 of this report.

#### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The County has three kinds of funds:

*Governmental funds* are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives. Budgetary comparison statements are included within the basic financial statements for the General Fund and Fire Fund. These statements demonstrate compliance with the County's adopted and final revised budget.

The basic governmental fund financial statements are presented on pages 29-34 of this report.

*Proprietary funds* are reported in the fund financial statements and generally report services for which the County charges customers a fee. These County proprietary funds are enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization such as the solid waste program.

Proprietary fund statements and statements for discretely presented component units (reporting is similar to proprietary funds) provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for major enterprise funds and individual component units. Individual fund information for the nonmajor enterprise funds is found in the combining and individual fund statements in a later section of this report.

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The basic proprietary fund financial statements are presented on pages 35-38 of this report.

*Fiduciary funds* (i.e., the agency funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs. Fiduciary fund financial statements report similarly to proprietary funds.

The basic fiduciary fund financial statement is presented on page 39 of this report.

***Notes to the Basic Financial Statements***

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are on pages 40-61 of this report.

***Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's budget presentations. As discussed above, budgetary comparison statements are included in the basic financial statements for the General Fund and Fire Fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. The combining and individual statements for nonmajor funds are presented in a subsequent section of this report beginning on page 62.

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**Financial Analysis of the County as a Whole**

The County's total net position at fiscal year-end is \$126,565,751. This is a \$2,172,596 increase from last year's net position of \$124,393,155. The table below provides a summary of the County's net position:

|                                  | Summary of Net Position |                |                     |               |                |                | Percentage of Total |      |
|----------------------------------|-------------------------|----------------|---------------------|---------------|----------------|----------------|---------------------|------|
|                                  | Governmental Activities |                | Business Activities |               | Total          |                |                     |      |
|                                  | 2014                    | 2013           | 2014                | 2013          | 2014           | 2013           | 2014                | 2013 |
| Assets:                          |                         |                |                     |               |                |                |                     |      |
| Current                          | \$ 39,171,008           | \$ 35,325,539  | \$ 7,933,908        | \$ 8,380,897  | \$ 47,104,916  | \$ 43,706,436  | 33%                 | 32%  |
| Noncurrent                       |                         |                |                     |               |                |                |                     |      |
| Capital assets                   | 90,606,259              | 91,222,713     | 6,104,606           | 7,431,868     | 96,710,865     | 98,654,581     | 67%                 | 68%  |
| Total assets                     | 129,777,267             | 126,548,252    | 14,038,514          | 15,812,765    | 143,815,781    | 142,361,017    | 100%                | 100% |
| Liabilities:                     |                         |                |                     |               |                |                |                     |      |
| Current liabilities              | 2,483,366               | 3,106,476      | 13,484              | 12,915        | 2,496,850      | 3,119,391      | 15%                 | 18%  |
| Long-term liabilities            | 10,539,282              | 10,889,950     | 3,639,509           | 3,439,483     | 14,178,791     | 14,329,433     | 85%                 | 82%  |
| Total liabilities                | 13,022,648              | 13,996,426     | 3,652,993           | 3,452,398     | 16,675,641     | 17,448,824     | 100%                | 100% |
| Deferred inflows of resources    | 574,389                 | 519,038        | -                   | -             | 574,389        | 519,038        | -                   | -    |
| Net position:                    |                         |                |                     |               |                |                |                     |      |
| Net investment in capital assets | 80,829,510              | 80,885,485     | 6,104,606           | 7,431,868     | 86,934,116     | 88,317,353     | 69%                 | 71%  |
| Restricted                       | 16,776,624              | 12,469,946     | -                   | -             | 16,776,624     | 12,469,946     | 13%                 | 10%  |
| Unrestricted                     | 18,574,096              | 18,677,357     | 4,280,915           | 4,928,499     | 22,855,011     | 23,605,856     | 18%                 | 19%  |
| Total net position               | \$ 116,180,230          | \$ 112,032,788 | \$ 10,385,521       | \$ 12,360,367 | \$ 126,565,751 | \$ 124,393,155 | 100%                | 100% |

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 15.77 to 1 and 588.39 to 1 for business-type activities. For the County overall, the current ratio is 18.87 to 1. Note that approximately 69.57% of the governmental activities' net position is tied up in capital assets less any related debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. However, with business-type activities, the County has spent approximately 58.78% of its net position on capital. Capital assets in the business-type activities principally provide solid waste services.

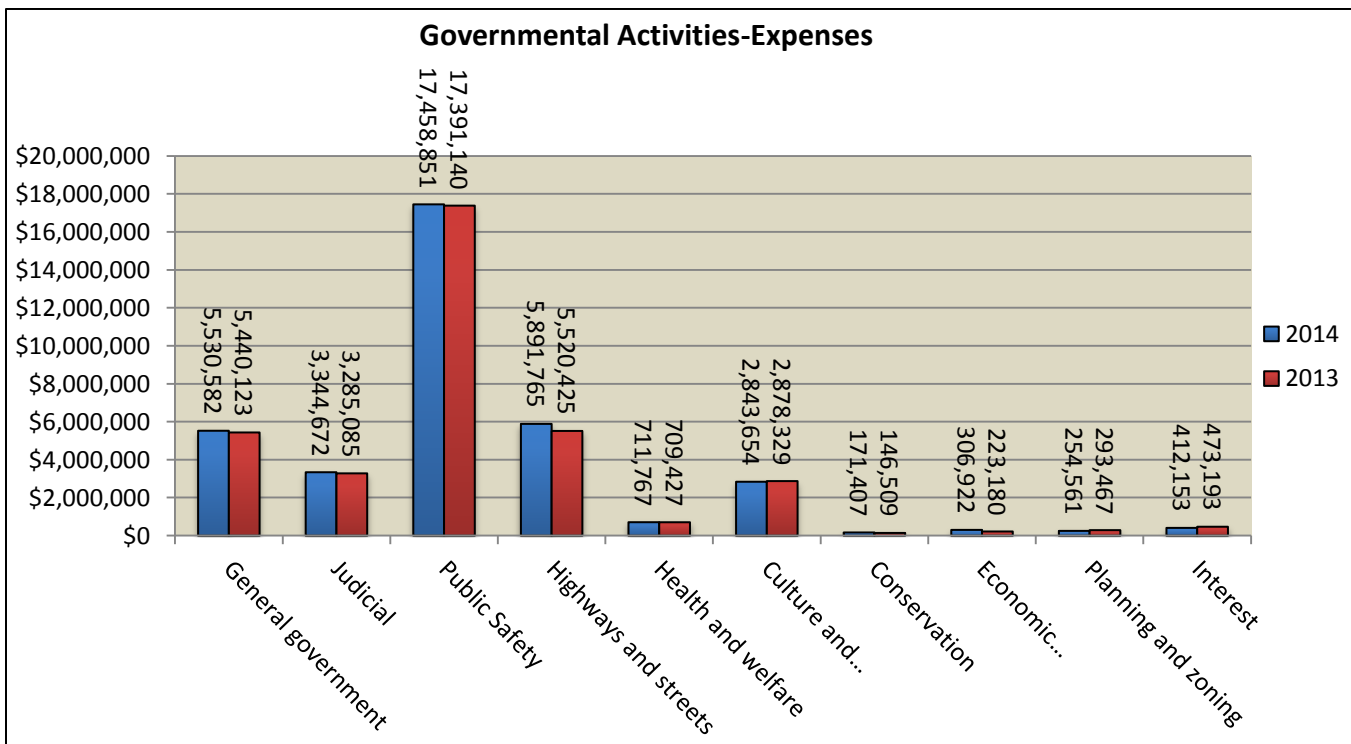
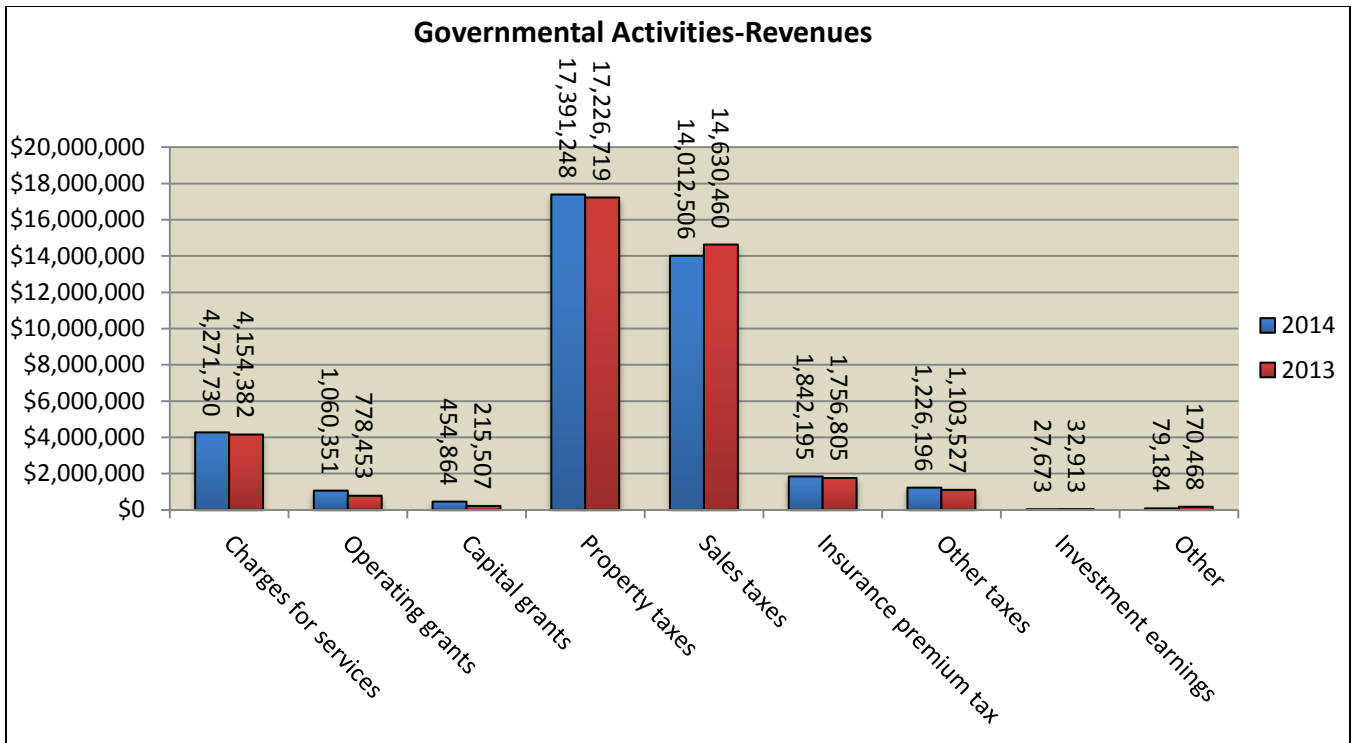
The County reported positive balances in net position for both governmental and business-type activities. Net position increased 3.70% or \$4,147,442 for governmental activities and decreased 15.97% or \$1,974,846 for business-type activities. The total net position increased 1.75% or \$2,172,596. Governmental activities have current assets of \$39,171,008. These assets include \$33,783,002 of cash and investments. This is an increase of 4,766,191 or 16.43% over the prior year. Invested in capital assets net of related debt for governmental activities decreased .07% or \$55,975 and decreased 17.86% or \$1,327,262 for business activities. The business-type activities decrease in investment in capital assets, net of related debt is due to current depreciation and depletion expense of \$1,327,262.

A comparative summary of changes in net position is presented on the subsequent page.

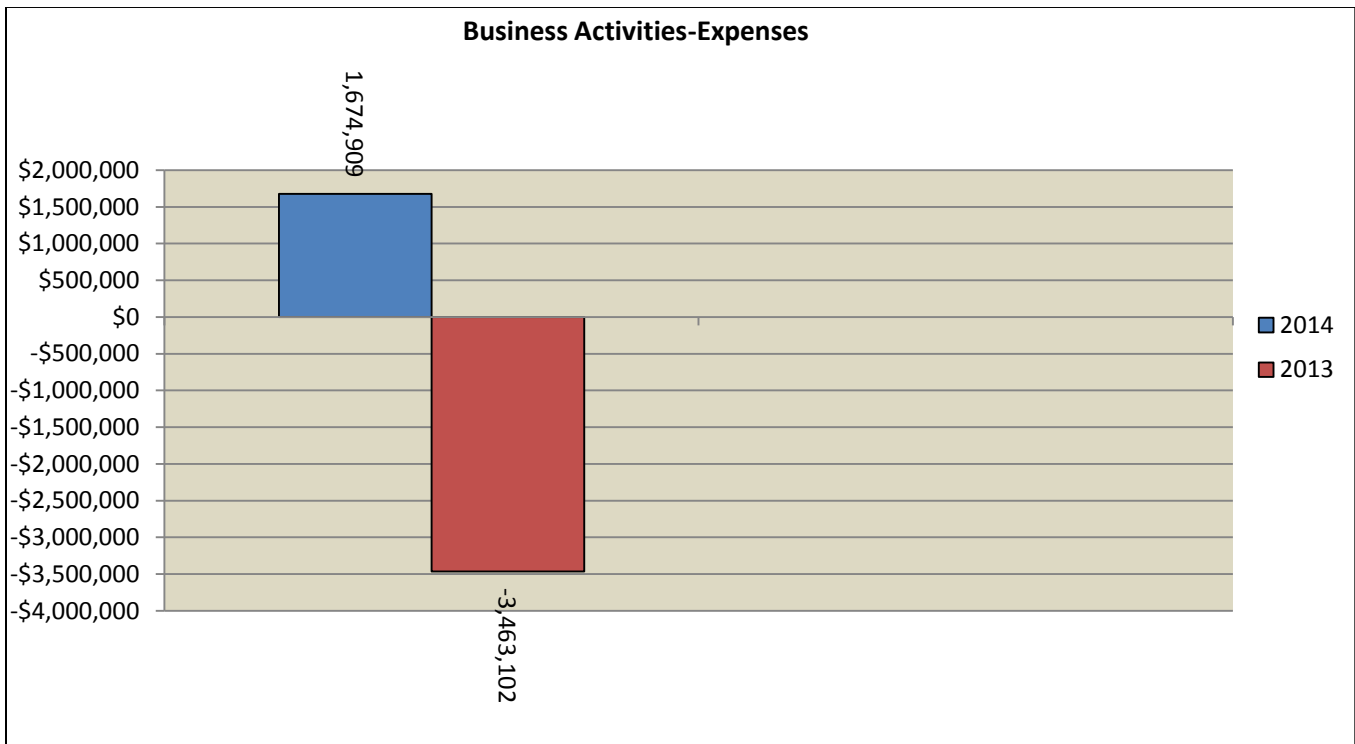
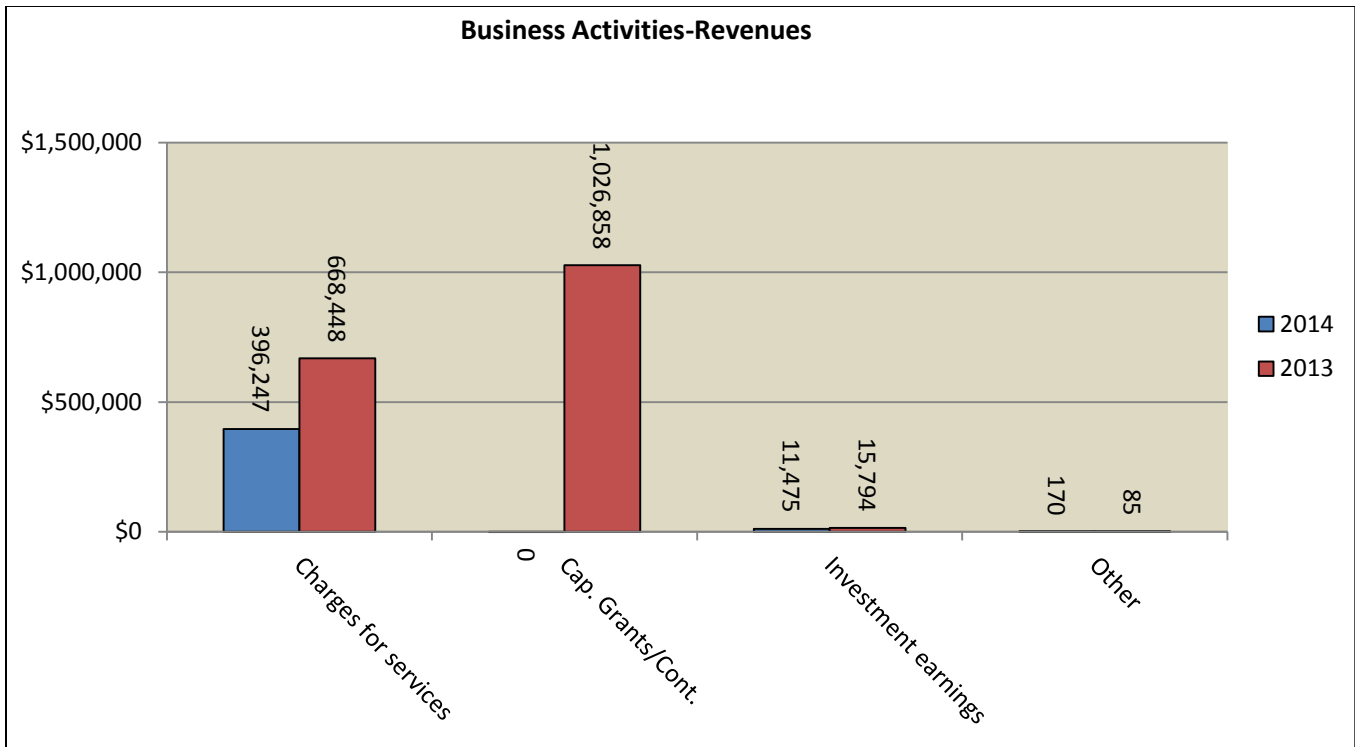
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|                        | Summary of Changes in Net Position |                |                     |               |                |                |                     |         |
|------------------------|------------------------------------|----------------|---------------------|---------------|----------------|----------------|---------------------|---------|
|                        | Governmental Activities            |                | Business Activities |               | Total          |                | Percentage of Total |         |
|                        | 2014                               | 2013           | 2014                | 2013          | 2014           | 2013           | 2014                | 2013    |
| Revenues:              |                                    |                |                     |               |                |                |                     |         |
| Program:               |                                    |                |                     |               |                |                |                     |         |
| Charges for services   | \$ 4,271,730                       | \$ 4,154,382   | \$ 396,247          | \$ 668,448    | \$ 4,667,977   | \$ 4,822,830   | 11.45%              | 11.54%  |
| Operating grants       | 1,060,351                          | 778,453        | -                   | -             | 1,060,351      | 778,453        | 2.60%               | 1.86%   |
| Capital grants         | 454,864                            | 215,507        | -                   | 1,026,858     | 454,864        | 1,242,365      | 1.12%               | 2.97%   |
| General:               |                                    |                |                     |               |                |                |                     |         |
| Property taxes         | 17,391,248                         | 17,226,719     | -                   | -             | 17,391,248     | 17,226,719     | 42.65%              | 41.23%  |
| Sales taxes            | 14,012,506                         | 14,630,460     | -                   | -             | 14,012,506     | 14,630,460     | 34.37%              | 35.02%  |
| Insurance prem. taxes  | 1,842,195                          | 1,756,805      | -                   | -             | 1,842,195      | 1,756,805      | 4.51%               | 4.21%   |
| Other taxes            | 1,226,196                          | 1,103,527      | -                   | -             | 1,226,196      | 1,103,527      | 3.01%               | 2.64%   |
| Investment earnings    | 27,673                             | 32,913         | 11,475              | 15,794        | 39,148         | 48,707         | 0.10%               | 0.12%   |
| Other                  | 79,184                             | 170,468        | 170                 | 85            | 79,354         | 170,553        | 0.19%               | 0.41%   |
| Total revenues         | 40,365,947                         | 40,069,234     | 407,892             | 1,711,185     | 40,773,839     | 41,780,419     | 100.0%              | 100.0%  |
| Expenses:              |                                    |                |                     |               |                |                |                     |         |
| General government     | 5,530,582                          | 5,440,123      | -                   | -             | 5,530,582      | 5,440,123      | 14.33%              | 16.54%  |
| Judicial               | 3,344,672                          | 3,285,085      | -                   | -             | 3,344,672      | 3,285,085      | 8.66%               | 9.98%   |
| Public safety          | 17,458,851                         | 17,391,140     | -                   | -             | 17,458,851     | 17,391,140     | 45.23%              | 52.86%  |
| Highways and streets   | 5,891,765                          | 5,520,425      | -                   | -             | 5,891,765      | 5,520,425      | 15.26%              | 16.78%  |
| Health and welfare     | 711,767                            | 709,427        | -                   | -             | 711,767        | 709,427        | 1.84%               | 2.16%   |
| Culture and recreation | 2,843,654                          | 2,878,329      | -                   | -             | 2,843,654      | 2,878,329      | 7.37%               | 8.75%   |
| Conservation           | 171,407                            | 146,509        | -                   | -             | 171,407        | 146,509        | 0.44%               | 0.45%   |
| Economic develop.      | 306,922                            | 223,180        | -                   | -             | 306,922        | 223,180        | 0.80%               | 0.68%   |
| Planning and zoning    | 254,561                            | 293,467        | -                   | -             | 254,561        | 293,467        | 0.66%               | 0.89%   |
| Interest               | 412,153                            | 473,193        | -                   | -             | 412,153        | 473,193        | 1.07%               | 1.44%   |
| Solid waste            | -                                  | -              | 1,581,256           | (3,553,521)   | 1,581,256      | (3,553,521)    | 4.10%               | -10.80% |
| Chert                  | -                                  | -              | 93,653              | 90,419        | 93,653         | 90,419         | 0.24%               | 0.27%   |
| Total expenses         | 36,926,334                         | 36,360,878     | 1,674,909           | (3,463,102)   | 38,601,243     | 32,897,776     | 100.0%              | 100.0%  |
| Excess (Deficiency)    | 3,439,613                          | 3,708,356      | (1,267,017)         | 5,174,287     | 2,172,596      | 8,882,643      |                     |         |
| Transfers              | 707,829                            | 1,697,216      | (707,829)           | (1,697,216)   | -              | -              |                     |         |
| Change in net position | 4,147,442                          | 5,405,572      | (1,974,846)         | 3,477,071     | 2,172,596      | 8,882,643      |                     |         |
| Beginning net position | 112,032,788                        | 106,627,216    | 12,360,367          | 8,883,296     | 124,393,155    | 115,510,512    |                     |         |
| Ending net position    | \$ 116,180,230                     | \$ 112,032,788 | \$ 10,385,521       | \$ 12,360,367 | \$ 126,565,751 | \$ 124,393,155 |                     |         |

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**Governmental Activities Revenues**

The County continues to be heavily reliant on property taxes to support governmental operations and capital needs. Property taxes provided 43.08% or \$17,391,248 of the County's total governmental revenues. Sales taxes are the second largest revenue source with over 34.71% or 14,012,506 of the total governmental revenues. Sales taxes and property taxes together provided 77.80% or \$31,403,754 and 79.51% or \$31,857,179 of the total governmental revenues for the years ended June 30, 2014 and 2013, respectively. Governmental activities revenues increased .74% or \$296,713 from FY 2013. Operating and capital grants increased 52.44% or \$521,255. The County received \$438,000 from the State of Georgia for a CDBG grant in FY 2014. Sales taxes decreased 4.22% or \$617,954. The decrease in sales taxes is due to the implementation of motor vehicle title tax which replaced sales taxes applicable to vehicle sales and the reduction of sales tax applicable to industrial energy costs.

**Governmental Activities Expenses**

The public safety and highways and streets functions account for 63.24% or \$23,350,616 and 63.01% or \$22,911,565 of the total governmental expenses for the years ended June 30, 2014 and 2013, respectively. Judicial, general government and recreation expenses are the second largest expenses and represent 31.74% or \$11,718,908 and 31.91% or \$11,603,537 of the total governmental expenses for the years ended June 30, 2014 and 2013, respectively. Governmental activities expenses increased 1.56% or \$565,456 from FY 2013. This increase is due principally to salaries increasing 4.62% or \$644,324. A 2% cost of living increase was implemented July 1, 2013 and all furlough days were discontinued in FY 2014.

**Financial Analysis of the County's Funds**

**Governmental Funds**

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

**General Fund** - The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund reported ending fund balance of \$18,663,403. Of this year-end total, \$17,289,391 is unassigned indicating availability for continuing County service requirements. Nonspendable fund balance includes \$355,239 set aside for prepaid items and committed fund balance of \$1,018,773 committed for employee health insurance. 92.6 percent or \$17,289,391 of the total fund balance is attributed to the unassigned fund balance.

The General Fund total expenditures decreased 1.65 % or \$446,683 in 2014 from 2013. The decrease is due principally to the General government decrease in capital outlay of \$702,784 attributed to the completion of the Ag Center building and an increase in salaries in all departments of 4.44% or \$481,333 which is attributed to a 2% cost of living increase implemented July 1, 2013 and all furlough days were discontinued in FY 2014.

|                             | 2014                 | 2013                 | Dollar<br>Increase<br>(Decrease) | Percent<br>Increase<br>-Decrease |
|-----------------------------|----------------------|----------------------|----------------------------------|----------------------------------|
| <b>Expenditures</b>         |                      |                      |                                  |                                  |
| <b>Current</b>              |                      |                      |                                  |                                  |
| General government          | \$ 6,391,249         | \$ 6,919,872         | \$ (528,623)                     | -7.64%                           |
| Judicial                    | 3,008,007            | 2,961,224            | 46,783                           | 1.58%                            |
| Public safety               | 10,479,072           | 10,211,725           | 267,347                          | 2.62%                            |
| Highways and streets        | 2,604,310            | 2,789,440            | (185,130)                        | -6.64%                           |
| Health and welfare          | 711,767              | 709,427              | 2,340                            | 0.33%                            |
| Culture and recreation      | 1,816,975            | 1,868,238            | (51,263)                         | -2.74%                           |
| Conservation                | 169,193              | 144,231              | 24,962                           | 17.31%                           |
| Economic development        | 258,781              | 197,281              | 61,500                           | 31.17%                           |
| Planning and zoning         | 253,964              | 290,853              | (36,889)                         | -12.68%                          |
| <b>Debt service</b>         |                      |                      |                                  |                                  |
| Principal retirement        | 551,573              | 577,610              | (26,037)                         | -4.51%                           |
| Interest and fiscal charges | 424,593              | 446,266              | (21,673)                         | -4.86%                           |
| <b>Total Expenditures</b>   | <b>\$ 26,669,484</b> | <b>\$ 27,116,167</b> | <b>\$ (446,683)</b>              | <b>-1.65%</b>                    |

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The General Fund revenues increased 4.06% or \$1,137,608 in 2014 from 2013. This increase is due to motor vehicles title tax fees increasing \$840,307 which is attributed to the first full year of implementation. In addition, intergovernmental revenues increased \$376,000 attributed to funding from the State of Georgia for a CDBG grant.

|                             | 2014                 | 2013                 | Dollar<br>Increase<br>(Decrease) | Percent<br>Increase<br>-Decrease |
|-----------------------------|----------------------|----------------------|----------------------------------|----------------------------------|
| <b>Revenues</b>             |                      |                      |                                  |                                  |
| Taxes                       | \$ 24,545,576        | \$ 23,932,389        | \$ 613,187                       | 2.56%                            |
| Licenses and permits        | 177,978              | 116,641              | 61,337                           | 52.59%                           |
| Intergovernmental           | 1,472,786            | 1,076,145            | 396,641                          | 36.86%                           |
| Charges for services        | 1,445,132            | 1,501,143            | (56,011)                         | -3.73%                           |
| Fines and forfeitures       | 1,012,159            | 960,033              | 52,126                           | 5.43%                            |
| Investment earnings         | 25,393               | 29,775               | (4,382)                          | -14.72%                          |
| Contributions and donations | 14,029               | 18,932               | (4,903)                          | -25.90%                          |
| Miscellaneous               | 487,019              | 407,406              | 79,613                           | 19.54%                           |
| <b>Total Revenues</b>       | <b>\$ 29,180,072</b> | <b>\$ 28,042,464</b> | <b>\$ 1,137,608</b>              | <b>4.06%</b>                     |

**Fire Fund** – The Fire Fund has a total fund balance of \$1,977,050 all of which is restricted fire protection services. The net increase in fund balance during the current year was \$249,933. Total revenues increased 5.78% or \$104,125 due to improved Insurance Premium collections. Total expenditures decreased .15% or \$5,780. Transfers in from the General Fund increased 10.40% or \$205,485.

**2005 SPLOST Projects Fund** – The 2005 SPLOST Projects Fund has a total fund balance of \$2,371,071 all of which is restricted for voter approved projects. The deficiency of revenues under expenditures was \$1,409,614. Total revenues decreased 37.52% or \$3,127. Total expenditures decreased 74.18% or 4,065,650. All sales taxes attributed to the 2005 SPLOST Projects Fund have been collected in prior years. The Fund will continue to use fund balance to complete the remaining projects.

**2012 SPLOST Projects Fund** – The 2012 SPLOST Projects Fund has a total fund balance of \$11,450,785 all of which is restricted for voter approved projects. The excess of revenues over expenditures was \$5,483,063. Total revenues decreased 4.22% or \$365,270 due to a decline in sales tax collections attributed to the implementation of motor vehicle title tax and the reduction of sales tax applicable to industrial energy costs. Total expenditures decreased 9.07% or \$279,435. The 2012 SPLOST Projects Fund is collecting a substantial amount of sales tax prior to beginning project construction which results in the excess of revenues over expenditures.

**Road Projects Fund** – The Road Projects Fund has a total fund balance of \$76,827 all of which is restricted for voter approved projects. The excess of revenues over expenditures was \$92. Total revenues decreased 22.69% or \$27. All sales taxes attributed to the Road Projects Fund have been collected in prior years. The Fund will use fund balance to complete the remaining projects.

#### **Proprietary Funds**

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

#### **The Major Proprietary Fund**

The Solid Waste Management Fund is the County's major proprietary fund and provides solid waste services to both residential and commercial customers. The Solid Waste Management Fund has a total net position of \$10,131,071. The net position consists of investments in capital assets of \$6,024,606 and unrestricted of \$4,106,465. Total operating revenues decreased 49.51% or \$308,781. This decrease is principally due to a reduction in closure/post closure fees of \$280,799.

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The County and the company operating the landfill are in disagreement with the contractual calculation of closure/post closure fees due to the County. Total operating expenses increased \$5,134,777. 2013 operating expenses had negative closure/post costs of \$(906,644) and negative depletion of \$(2,854,758). These negative non cash costs were a result of a vertical expansion which decreased closure/post closure estimated cost by \$2,103,136 and increased the life of the landfill from 45 years to 83 years. This increase in the life of landfill reduced the amount depleted from 96.7% to 72.40%. The fund change in net position of \$(2,002,921) resulted in a net decrease in cash and cash equivalents of \$1,068,055. The decrease in cash is a result of the transfer to the General Fund for the construction of the Ag Center in the amount of \$747,829 and the decrease in closure/post closure fees of \$280,799.

**General Fund Budgetary Highlights**

The original fiscal year 2014 adopted budget anticipated using \$2,797,273 in fund balance to balance the budget. The revised budget anticipated funding expenditures with \$2,824,567 of fund balance. The actual fund balance increase was \$587,679 reflecting a positive variance from the revised budget of \$3,412,246.

The 2014 General Fund was able to achieve the positive variance of \$3,412,246 principally by actual expenditures coming in under budget by \$2,344,787 while actual revenues recognized were more than budget of \$1,071,017. The positive revenues were achieved by property tax collections coming in much better than anticipated. Group health insurance in all departments came in under budget by \$887,678. This occurred due to the policy of budgeting for the maximum health insurance cost exposure. The most significant budgeted revenues and expenditures are as follows:

|                                            | Original<br>Budget | Final<br>Budget | Actual       | Variance    | % of Actual to<br>Final Budget |
|--------------------------------------------|--------------------|-----------------|--------------|-------------|--------------------------------|
| Revenues:                                  |                    |                 |              |             |                                |
| General property taxes                     | \$16,034,100       | \$16,866,100    | \$17,904,931 | \$1,038,831 | 106.16%                        |
| Expenditures:                              |                    |                 |              |             |                                |
| Group Health Insurance-<br>All Departments | 4,356,654          | 4,263,331       | 3,375,653    | 887,678     | 79.18%                         |

**Capital Asset and Debt Administration**

**Capital Assets**

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2014, was \$90,606,259 and \$6,104,606 respectively. The investment in capital assets for governmental activities decreased .68% or \$616,454 and investments in capital assets for business type activities decreased 17.86% or \$1,327,262. Governmental activities' depreciable assets increased 2.62% or \$3,417,130 and nondepreciable assets decreased 6.0% or \$1,386,903 with accumulated depreciation increasing 4.24% or \$2,646,681. Business type activities nondepreciable and depreciable assets did not change from 2013 and accumulated depreciation increased 7.30% or \$1,327,262

Major capital assets costs capitalized during the current fiscal year were as follows:

|                                    |              |
|------------------------------------|--------------|
| • Ag Center building               | \$ 2,485,165 |
| • Voluntary Action Center building | \$ 518,018   |
| • Fire hydrant extensions          | \$ 400,000   |

On the following page is a schedule of capital assets both for governmental and business activities.

**Gordon County, Georgia**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Unaudited)**

| <b>Capital Assets</b>                  |                                |               |                            |              |               |               |
|----------------------------------------|--------------------------------|---------------|----------------------------|--------------|---------------|---------------|
| <b>Net of Accumulated Depreciation</b> |                                |               |                            |              |               |               |
|                                        | <b>Governmental Activities</b> |               | <b>Business Activities</b> |              | <b>Total</b>  |               |
|                                        | <b>2014</b>                    | <b>2013</b>   | <b>2014</b>                | <b>2013</b>  | <b>2014</b>   | <b>2013</b>   |
| Nondepreciable assets:                 |                                |               |                            |              |               |               |
| Land                                   | \$ 18,761,203                  | \$ 18,761,203 | \$ 703,929                 | \$ 703,929   | \$ 19,465,132 | \$ 19,465,132 |
| Construction in progress               | 2,932,334                      | 4,319,237     | -                          | -            | 2,932,334     | 4,319,237     |
| Total nondepreciable assets            | 21,693,537                     | 23,080,440    | 703,929                    | 703,929      | 22,397,466    | 23,784,369    |
| Depreciable assets:                    |                                |               |                            |              |               |               |
| Improvements                           | 11,097,379                     | 10,697,379    | 4,110,891                  | 4,110,891    | 15,208,270    | 14,808,270    |
| Buildings                              | 56,124,222                     | 53,101,687    | 923,648                    | 923,648      | 57,047,870    | 54,025,335    |
| Machinery and equipment                | 11,267,621                     | 11,273,026    | 4,034,634                  | 4,034,634    | 15,302,255    | 15,307,660    |
| Landfill cell space                    | -                              | -             | 15,834,277                 | 15,834,277   | 15,834,277    | 15,834,277    |
| Infrastructure                         | 55,497,850                     | 55,497,850    | -                          | -            | 55,497,850    | 55,497,850    |
| Total depreciable assets               | 133,987,072                    | 130,569,942   | 24,903,450                 | 24,903,450   | 158,890,522   | 155,473,392   |
| Less accumulated depreciation          | 65,074,350                     | 62,427,669    | 19,502,773                 | 18,175,511   | 84,577,123    | 80,603,180    |
| Book value - depreciable assets        | \$ 68,912,722                  | \$ 68,142,273 | \$ 5,400,677               | \$ 6,727,939 | \$ 74,313,399 | \$ 74,870,212 |
| Book value - all capital assets        | \$ 90,606,259                  | \$ 91,222,713 | \$ 6,104,606               | \$ 7,431,868 | \$ 96,710,865 | \$ 98,654,581 |
| Percentage depreciated                 | 49%                            | 48%           | 78%                        | 73%          | 53%           | 52%           |

See Note 3-D for additional information about the County's capital assets.

**Gordon County, Georgia**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Unaudited)**

**Long-term Debt**

At the end of the fiscal year, the County had total capital lease obligations outstanding of \$9,652,933. During the year the County made lease payments of \$551,573. The County's other long-term debt relates to landfill closure and post closure care and compensated absences.

|                                       | <b>Governmental<br/>Activities</b> |                      | <b>Business-type<br/>Activities</b> |                     | <b>Totals</b>        |                      | <b>Dollar<br/>Change</b> |
|---------------------------------------|------------------------------------|----------------------|-------------------------------------|---------------------|----------------------|----------------------|--------------------------|
|                                       | <b>2014</b>                        | <b>2013</b>          | <b>2014</b>                         | <b>2013</b>         | <b>2014</b>          | <b>2013</b>          |                          |
| Capital leases                        | \$ 9,652,933                       | \$ 10,204,506        | \$ -                                | \$ -                | \$ 9,652,933         | \$ 10,204,506        | \$ (551,573)             |
| Unamortized debt premium              | 123,816                            | 132,722              | -                                   | -                   | 123,816              | 132,722              | (8,906)                  |
| Net capital leases                    | 9,776,749                          | 10,337,228           | -                                   | -                   | 9,776,749            | 10,337,228           | (560,479)                |
| Landfill closure and postclosure care | -                                  | -                    | 3,640,446                           | 3,440,405           | 3,640,446            | 3,440,405            | 200,041                  |
| Compensated absences                  | 931,378                            | 850,732              | 4,636                               | 4,659               | 936,014              | 855,391              | 80,623                   |
| Total                                 | <u>\$ 10,708,127</u>               | <u>\$ 11,187,960</u> | <u>\$ 3,645,082</u>                 | <u>\$ 3,445,064</u> | <u>\$ 14,353,209</u> | <u>\$ 14,633,024</u> | <u>\$ (279,815)</u>      |

See Note 3H for additional information about the County's long-term debt.

**Economic Factors and Next Year's Budgets**

Local option sales tax revenues for the first three months of fiscal year 2015 reflected a 7.95% increase over the same period in fiscal year 2014. Local option sales taxes decreased 4.12% from fiscal year 2013 to 2014. The County's finances are reflecting improvements from its previous economic slowdown and its unemployment rate improved to 8.5% as of June 2014 from 10.2% as of June 2013. The fiscal year 2015 gross maintenance and operation property tax digest shows a slight increase of 1.2% over the fiscal year 2014 digest while M&O exemptions increased 1.96 due to an increase in Freeport exemption to a 40% rate in all categories. The millage rate in fiscal year 2015 decreased to 9.747 from a 9.80 rate in the previous year.

The County adopted its fiscal year 2015 budget on June 24, 2014. The General Fund budget for fiscal year 2015 reflected revenues, other financing sources and use of fund balance of \$32,449,430 and expenditures and other financing uses of \$32,449,430. This budget reflects a decrease from the fiscal year 2014 budget of \$622,863.

**Contacting the County's Financial Management**

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact:

Gordon County Finance Department  
200 South Wall Street  
Calhoun, Georgia 30701      Telephone 706-879-2190

**Gordon County, Georgia**  
**Statement of Net Position**  
**June 30, 2014**

|                                                          | Primary Government      |                          |                       | Component Unit      |
|----------------------------------------------------------|-------------------------|--------------------------|-----------------------|---------------------|
|                                                          | Governmental Activities | Business-type Activities | Total                 |                     |
| <b>Assets</b>                                            |                         |                          |                       |                     |
| <b>Current Assets</b>                                    |                         |                          |                       |                     |
| Cash and cash equivalents                                | \$ 33,783,002           | \$ 7,373,751             | \$ 41,156,753         | \$ 1,189,197        |
| Receivables                                              |                         |                          |                       |                     |
| Accounts                                                 | 218,130                 | 160,157                  | 378,287               | -                   |
| Property taxes                                           | 1,998,490               | -                        | 1,998,490             | -                   |
| Sales taxes                                              | 1,195,861               | -                        | 1,195,861             | -                   |
| Intergovernmental                                        | 2,020,286               | -                        | 2,020,286             | 144,229             |
| Interfund                                                | (400,000)               | 400,000                  | -                     | -                   |
| Prepaid items                                            | 355,239                 | -                        | 355,239               | 6,293               |
| Restricted assets:                                       |                         |                          |                       |                     |
| Cash and cash equivalents                                | -                       | -                        | -                     | 257                 |
| <b>Total Current Assets</b>                              | <b>39,171,008</b>       | <b>7,933,908</b>         | <b>47,104,916</b>     | <b>1,339,976</b>    |
| <b>Noncurrent Assets</b>                                 |                         |                          |                       |                     |
| Capital assets                                           |                         |                          |                       |                     |
| Nondepreciable                                           | 21,693,537              | 703,929                  | 22,397,466            | -                   |
| Depreciable, net                                         | 68,912,722              | 5,400,677                | 74,313,399            | 4,936               |
| <b>Total Noncurrent Assets</b>                           | <b>90,606,259</b>       | <b>6,104,606</b>         | <b>96,710,865</b>     | <b>4,936</b>        |
| <b>Total Assets</b>                                      | <b>129,777,267</b>      | <b>14,038,514</b>        | <b>143,815,781</b>    | <b>1,344,912</b>    |
| <b>Liabilities</b>                                       |                         |                          |                       |                     |
| <b>Current Liabilities</b>                               |                         |                          |                       |                     |
| Accounts payable                                         | 890,653                 | 6,287                    | 896,940               | 3,390               |
| Accrued salaries payable                                 | 653,612                 | 1,624                    | 655,236               | -                   |
| Intergovernmental payable                                | -                       | -                        | -                     | 30,506              |
| Accrued interest payable                                 | 77,345                  | -                        | 77,345                | -                   |
| Compensated absences payable                             | 346,076                 | 1,723                    | 347,799               | -                   |
| Capital leases payable                                   | 501,494                 | -                        | 501,494               | -                   |
| Closure and post-closure care payable                    | -                       | 3,850                    | 3,850                 | -                   |
| Unearned revenue                                         | 14,186                  | -                        | 14,186                | -                   |
| <b>Total Current Liabilities</b>                         | <b>2,483,366</b>        | <b>13,484</b>            | <b>2,496,850</b>      | <b>33,896</b>       |
| <b>Long-Term Liabilities (net of current portion)</b>    |                         |                          |                       |                     |
| Compensated absences payable                             | 585,302                 | 2,913                    | 588,215               | 55,644              |
| Other postemployment benefits payable                    | 678,725                 | -                        | 678,725               | -                   |
| Capital leases payable                                   | 9,275,255               | -                        | 9,275,255             | -                   |
| Closure and post-closure care payable                    | -                       | 3,636,596                | 3,636,596             | -                   |
| <b>Total Long-Term Liabilities</b>                       | <b>10,539,282</b>       | <b>3,639,509</b>         | <b>14,178,791</b>     | <b>55,644</b>       |
| <b>Total Liabilities</b>                                 | <b>13,022,648</b>       | <b>3,652,993</b>         | <b>16,675,641</b>     | <b>89,540</b>       |
| <b>Deferred Inflows of Resources - Time Requirements</b> | <b>574,389</b>          | <b>-</b>                 | <b>574,389</b>        | <b>-</b>            |
| <b>Net Position</b>                                      |                         |                          |                       |                     |
| Net investment in capital assets                         | 80,829,510              | 6,104,606                | 86,934,116            | 4,936               |
| Restricted for                                           |                         |                          |                       |                     |
| Capital projects                                         | 13,898,683              | -                        | 13,898,683            | -                   |
| Public safety                                            | 2,877,941               | -                        | 2,877,941             | -                   |
| Unrestricted                                             | 18,574,096              | 4,280,915                | 22,855,011            | 1,250,436           |
| <b>Total Net Position</b>                                | <b>\$ 116,180,230</b>   | <b>\$ 10,385,521</b>     | <b>\$ 126,565,751</b> | <b>\$ 1,255,372</b> |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Statement of Activities**  
**For the Year Ended June 30, 2014**

| Function/Program                              | Expenses             | Program Revenues                            |                                       |                                     | Net (Expense) Revenue and Changes in Net Position |                             |                       |                     |
|-----------------------------------------------|----------------------|---------------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------------------|-----------------------------|-----------------------|---------------------|
|                                               |                      | Fines,<br>Charges for<br>Services and Sales | Operating Grants<br>and Contributions | Capital Grants<br>and Contributions | Primary Government                                |                             | Total                 | Component Unit      |
|                                               |                      |                                             |                                       |                                     | Governmental<br>Activities                        | Business-Type<br>Activities |                       |                     |
| <b>Primary Government</b>                     |                      |                                             |                                       |                                     |                                                   |                             |                       |                     |
| <b>Governmental Activities</b>                |                      |                                             |                                       |                                     |                                                   |                             |                       |                     |
| General government                            | \$ 5,530,582         | \$ 1,175,524                                | \$ 99,454                             | \$ -                                | \$ (4,255,604)                                    | \$ -                        | \$ (4,255,604)        | \$ -                |
| Judicial                                      | 3,344,672            | 306,823                                     | 53,422                                | -                                   | (2,984,427)                                       | -                           | (2,984,427)           | -                   |
| Public safety                                 | 17,458,851           | 2,503,602                                   | 329,126                               | -                                   | (14,626,123)                                      | -                           | (14,626,123)          | -                   |
| Highways and streets                          | 5,891,765            | 15,839                                      | 566,349                               | 16,864                              | (5,292,713)                                       | -                           | (5,292,713)           | -                   |
| Health and welfare                            | 711,767              | -                                           | -                                     | 438,000                             | (273,767)                                         | -                           | (273,767)             | -                   |
| Culture and recreation                        | 2,843,654            | 132,115                                     | 12,000                                | -                                   | (2,699,539)                                       | -                           | (2,699,539)           | -                   |
| Conservation                                  | 171,407              | -                                           | -                                     | -                                   | (171,407)                                         | -                           | (171,407)             | -                   |
| Economic development                          | 306,922              | -                                           | -                                     | -                                   | (306,922)                                         | -                           | (306,922)             | -                   |
| Planning and zoning                           | 254,561              | 137,827                                     | -                                     | -                                   | (116,734)                                         | -                           | (116,734)             | -                   |
| Interest                                      | 412,153              | -                                           | -                                     | -                                   | (412,153)                                         | -                           | (412,153)             | -                   |
| <b>Total Governmental Activities</b>          | <b>36,926,334</b>    | <b>4,271,730</b>                            | <b>1,060,351</b>                      | <b>454,864</b>                      | <b>(31,139,389)</b>                               | <b>-</b>                    | <b>(31,139,389)</b>   | <b>-</b>            |
| <b>Business-Type Activities</b>               |                      |                                             |                                       |                                     |                                                   |                             |                       |                     |
| Solid waste management                        | 1,581,256            | 314,907                                     | -                                     | -                                   | -                                                 | (1,266,349)                 | (1,266,349)           | -                   |
| Chert                                         | 93,653               | 81,340                                      | -                                     | -                                   | -                                                 | (12,313)                    | (12,313)              | -                   |
| <b>Total Business-Type Activities</b>         | <b>1,674,909</b>     | <b>396,247</b>                              | <b>-</b>                              | <b>-</b>                            | <b>-</b>                                          | <b>(1,278,662)</b>          | <b>(1,278,662)</b>    | <b>-</b>            |
| <b>Total Primary Government</b>               | <b>\$ 38,601,243</b> | <b>\$ 4,667,977</b>                         | <b>\$ 1,060,351</b>                   | <b>\$ 454,864</b>                   | <b>(31,139,389)</b>                               | <b>(1,278,662)</b>          | <b>(32,418,051)</b>   | <b>-</b>            |
| <b>Component Unit</b>                         |                      |                                             |                                       |                                     |                                                   |                             |                       |                     |
| Gordon County Health Department               | \$ 1,215,855         | \$ 411,086                                  | \$ 565,101                            | \$ -                                |                                                   |                             |                       | (239,668)           |
| <b>General Revenues</b>                       |                      |                                             |                                       |                                     |                                                   |                             |                       |                     |
| Taxes:                                        |                      |                                             |                                       |                                     |                                                   |                             |                       |                     |
| Property taxes                                |                      |                                             |                                       |                                     | 17,391,248                                        | -                           | 17,391,248            | -                   |
| Sales taxes                                   |                      |                                             |                                       |                                     | 14,012,506                                        | -                           | 14,012,506            | -                   |
| Insurance premium taxes                       |                      |                                             |                                       |                                     | 1,842,195                                         | -                           | 1,842,195             | -                   |
| Alcohol beverage taxes                        |                      |                                             |                                       |                                     | 170,036                                           | -                           | 170,036               | -                   |
| Real estate transfers taxes                   |                      |                                             |                                       |                                     | 214,787                                           | -                           | 214,787               | -                   |
| Other taxes                                   |                      |                                             |                                       |                                     | 563,664                                           | -                           | 563,664               | -                   |
| Payment in lieu of taxes                      |                      |                                             |                                       |                                     | 277,709                                           | -                           | 277,709               | -                   |
| Payments from Gordon County                   |                      |                                             |                                       |                                     | -                                                 | -                           | -                     | 405,262             |
| Gain on sale of disposition of capital assets |                      |                                             |                                       |                                     | 21,468                                            | -                           | 21,468                | -                   |
| Investment earnings                           |                      |                                             |                                       |                                     | 27,673                                            | 11,475                      | 39,148                | 1,129               |
| Miscellaneous                                 |                      |                                             |                                       |                                     | 57,716                                            | 170                         | 57,886                | 7                   |
| <b>Total General Revenues</b>                 |                      |                                             |                                       |                                     | <b>34,579,002</b>                                 | <b>11,645</b>               | <b>34,590,647</b>     | <b>406,398</b>      |
| <b>Transfers</b>                              |                      |                                             |                                       |                                     | <b>707,829</b>                                    | <b>(707,829)</b>            | <b>-</b>              | <b>-</b>            |
| <b>Total General Revenues and Transfers</b>   |                      |                                             |                                       |                                     | <b>35,286,831</b>                                 | <b>(696,184)</b>            | <b>34,590,647</b>     | <b>406,398</b>      |
| <b>Change in Net Position</b>                 |                      |                                             |                                       |                                     | <b>4,147,442</b>                                  | <b>(1,974,846)</b>          | <b>2,172,596</b>      | <b>166,730</b>      |
| <b>Net Position Beginning of Year</b>         |                      |                                             |                                       |                                     | <b>112,032,788</b>                                | <b>12,360,367</b>           | <b>124,393,155</b>    | <b>1,088,642</b>    |
| <b>Net Position End of Year</b>               |                      |                                             |                                       |                                     | <b>\$ 116,180,230</b>                             | <b>\$ 10,385,521</b>        | <b>\$ 126,565,751</b> | <b>\$ 1,255,372</b> |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2014**

|                                                                                   | <b>General</b>       | <b>Fire</b>         | <b>2012 SPLOST<br/>Projects</b> | <b>2005 SPLOST<br/>Projects</b> | <b>Road<br/>Projects</b> | <b>Other<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|-----------------------------------------------------------------------------------|----------------------|---------------------|---------------------------------|---------------------------------|--------------------------|-----------------------------------------|-----------------------------------------|
| <b>Assets</b>                                                                     |                      |                     |                                 |                                 |                          |                                         |                                         |
| Cash and cash equivalents                                                         | \$ 19,013,727        | \$ 275,010          | \$ 11,189,756                   | \$ 2,371,071                    | \$ 76,827                | \$ 856,611                              | \$ 33,783,002                           |
| Receivables                                                                       |                      |                     |                                 |                                 |                          |                                         |                                         |
| Accounts                                                                          | 130,985              | -                   | -                               | -                               | -                        | 87,145                                  | 218,130                                 |
| Property taxes                                                                    | 1,998,490            | -                   | -                               | -                               | -                        | -                                       | 1,998,490                               |
| Sales taxes                                                                       | 490,489              | -                   | 705,372                         | -                               | -                        | -                                       | 1,195,861                               |
| Intergovernmental                                                                 | 122,082              | 1,842,195           | -                               | -                               | -                        | 56,009                                  | 2,020,286                               |
| Prepaid items                                                                     | 355,239              | -                   | -                               | -                               | -                        | -                                       | 355,239                                 |
| <b>Total Assets</b>                                                               | <b>\$ 22,111,012</b> | <b>\$ 2,117,205</b> | <b>\$ 11,895,128</b>            | <b>\$ 2,371,071</b>             | <b>\$ 76,827</b>         | <b>\$ 999,765</b>                       | <b>\$ 39,571,008</b>                    |
| <b>Liabilities</b>                                                                |                      |                     |                                 |                                 |                          |                                         |                                         |
| Accounts payable                                                                  | \$ 764,679           | \$ 39,415           | \$ 44,343                       | \$ -                            | \$ -                     | \$ 42,216                               | \$ 890,653                              |
| Accrued expenditures                                                              | 510,400              | 100,740             | -                               | -                               | -                        | 42,472                                  | 653,612                                 |
| Interfund payable                                                                 | -                    | -                   | 400,000                         | -                               | -                        | -                                       | 400,000                                 |
| Unearned revenue                                                                  | -                    | -                   | -                               | -                               | -                        | 14,186                                  | 14,186                                  |
| <b>Total Liabilities</b>                                                          | <b>1,275,079</b>     | <b>140,155</b>      | <b>444,343</b>                  | <b>-</b>                        | <b>-</b>                 | <b>98,874</b>                           | <b>1,958,451</b>                        |
| <b>Deferred Inflows of<br/>Resources - unavailable</b>                            |                      |                     |                                 |                                 |                          |                                         |                                         |
| revenue - property taxes                                                          | 1,598,141            | -                   | -                               | -                               | -                        | -                                       | 1,598,141                               |
| revenue - GA. DOT                                                                 | 574,389              | -                   | -                               | -                               | -                        | -                                       | 574,389                                 |
| <b>Total Deferred Inflows</b>                                                     | <b>2,172,530</b>     | <b>-</b>            | <b>-</b>                        | <b>-</b>                        | <b>-</b>                 | <b>-</b>                                | <b>2,172,530</b>                        |
| <b>Fund Balances:</b>                                                             |                      |                     |                                 |                                 |                          |                                         |                                         |
| Nonspendable                                                                      | 355,239              | -                   | -                               | -                               | -                        | -                                       | 355,239                                 |
| Restricted                                                                        | -                    | 1,977,050           | 11,450,785                      | 2,371,071                       | 76,827                   | 900,891                                 | 16,776,624                              |
| Committed                                                                         | 1,018,773            | -                   | -                               | -                               | -                        | -                                       | 1,018,773                               |
| Unassigned                                                                        | 17,289,391           | -                   | -                               | -                               | -                        | -                                       | 17,289,391                              |
| <b>Total Fund Balances</b>                                                        | <b>18,663,403</b>    | <b>1,977,050</b>    | <b>11,450,785</b>               | <b>2,371,071</b>                | <b>76,827</b>            | <b>900,891</b>                          | <b>35,440,027</b>                       |
| <b>Total Liabilities, Deferred<br/>Inflows of Resources and<br/>Fund Balances</b> | <b>\$ 22,111,012</b> | <b>\$ 2,117,205</b> | <b>\$ 11,895,128</b>            | <b>\$ 2,371,071</b>             | <b>\$ 76,827</b>         | <b>\$ 999,765</b>                       | <b>\$ 39,571,008</b>                    |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-wide Statement of Net Position**  
**June 30, 2014**

|                                                                                                                                                                                                 |                     |                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|
| <b>Total Governmental Fund Balances</b>                                                                                                                                                         |                     | <b>\$ 35,440,027</b>  |
| <b>Amounts Reported for Governmental Activities in the<br/>Statement of Activities Are Different Because:</b>                                                                                   |                     |                       |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.                                                                         |                     |                       |
| Cost                                                                                                                                                                                            | \$ 155,680,609      |                       |
| Less accumulated depreciation                                                                                                                                                                   | <u>(65,074,350)</u> | 90,606,259            |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.                                                                        |                     |                       |
| Property taxes                                                                                                                                                                                  |                     | 1,598,141             |
| Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position. |                     |                       |
| Capital leases (net of deferred premium)                                                                                                                                                        | \$ (9,776,749)      |                       |
| Accrued interest payable                                                                                                                                                                        | (77,345)            |                       |
| Compensated absences payable                                                                                                                                                                    | (931,378)           |                       |
| Other postemployment benefits payable                                                                                                                                                           | <u>(678,725)</u>    | <u>(11,464,197)</u>   |
| <b>Net Position of Governmental Activities</b>                                                                                                                                                  |                     | <b>\$ 116,180,230</b> |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2014**

|                                                                      | General              | Fire                | 2012 SPLOST<br>Projects | 2005 SPLOST<br>Projects | Road<br>Projects | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|----------------------------------------------------------------------|----------------------|---------------------|-------------------------|-------------------------|------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>                                                      |                      |                     |                         |                         |                  |                                |                                |
| Taxes                                                                | \$ 24,545,576        | \$ 1,842,195        | \$ 8,272,207            | \$ -                    | \$ -             | \$ 48,141                      | \$ 34,708,119                  |
| Licenses and permits                                                 | 177,978              | 41,486              | -                       | -                       | -                | -                              | 219,464                        |
| Intergovernmental                                                    | 1,472,786            | 20,000              | -                       | -                       | -                | 269,245                        | 1,762,031                      |
| Charges for services                                                 | 1,445,132            | 6                   | -                       | -                       | -                | 811,804                        | 2,256,942                      |
| Fines and forfeitures                                                | 1,012,159            | -                   | -                       | -                       | -                | 353,852                        | 1,366,011                      |
| Investment earnings                                                  | 25,393               | 1,111               | 11,566                  | 5,206                   | 92               | 1,169                          | 44,537                         |
| Contributions and donations                                          | 14,029               | -                   | -                       | -                       | -                | -                              | 14,029                         |
| Miscellaneous                                                        | 487,019              | 10                  | -                       | -                       | -                | -                              | 487,029                        |
| <b>Total Revenues</b>                                                | <b>29,180,072</b>    | <b>1,904,808</b>    | <b>8,283,773</b>        | <b>5,206</b>            | <b>92</b>        | <b>1,484,211</b>               | <b>40,858,162</b>              |
| <b>Expenditures</b>                                                  |                      |                     |                         |                         |                  |                                |                                |
| <b>Current</b>                                                       |                      |                     |                         |                         |                  |                                |                                |
| General government                                                   | 6,391,249            | -                   | -                       | -                       | -                | -                              | 6,391,249                      |
| Judicial                                                             | 3,008,007            | -                   | -                       | -                       | -                | 234,767                        | 3,242,774                      |
| Public safety                                                        | 10,479,072           | 3,815,360           | -                       | -                       | -                | 1,689,820                      | 15,984,252                     |
| Highways and streets                                                 | 2,604,310            | -                   | -                       | -                       | -                | -                              | 2,604,310                      |
| Health and welfare                                                   | 711,767              | -                   | -                       | -                       | -                | -                              | 711,767                        |
| Culture and recreation                                               | 1,816,975            | -                   | -                       | -                       | -                | -                              | 1,816,975                      |
| Conservation                                                         | 169,193              | -                   | -                       | -                       | -                | -                              | 169,193                        |
| Economic development                                                 | 258,781              | -                   | -                       | -                       | -                | 48,141                         | 306,922                        |
| Planning and zoning                                                  | 253,964              | -                   | -                       | -                       | -                | -                              | 253,964                        |
| <b>Intergovernmental</b>                                             | -                    | -                   | 1,956,372               | -                       | -                | -                              | 1,956,372                      |
| <b>Capital Outlay</b>                                                | -                    | 20,000              | 844,338                 | 1,414,820               | -                | -                              | 2,279,158                      |
| <b>Debt Service</b>                                                  |                      |                     |                         |                         |                  |                                |                                |
| Principal retirement                                                 | 551,573              | -                   | -                       | -                       | -                | -                              | 551,573                        |
| Interest and fiscal charges                                          | 424,593              | -                   | -                       | -                       | -                | -                              | 424,593                        |
| <b>Total Expenditures</b>                                            | <b>26,669,484</b>    | <b>3,835,360</b>    | <b>2,800,710</b>        | <b>1,414,820</b>        | <b>-</b>         | <b>1,972,728</b>               | <b>36,693,102</b>              |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>2,510,588</b>     | <b>(1,930,552)</b>  | <b>5,483,063</b>        | <b>(1,409,614)</b>      | <b>92</b>        | <b>(488,517)</b>               | <b>4,165,060</b>               |
| <b>Other Financing Sources (Uses)</b>                                |                      |                     |                         |                         |                  |                                |                                |
| Transfers in                                                         | 867,919              | 2,180,485           | -                       | -                       | -                | 591,811                        | 3,640,215                      |
| Transfers out                                                        | (2,812,296)          | -                   | -                       | -                       | -                | (120,090)                      | (2,932,386)                    |
| Proceeds from the<br>sale of capital assets                          | 21,468               | -                   | -                       | -                       | -                | -                              | 21,468                         |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>(1,922,909)</b>   | <b>2,180,485</b>    | <b>-</b>                | <b>-</b>                | <b>-</b>         | <b>471,721</b>                 | <b>729,297</b>                 |
| <b>Net Change in Fund Balances</b>                                   | <b>587,679</b>       | <b>249,933</b>      | <b>5,483,063</b>        | <b>(1,409,614)</b>      | <b>92</b>        | <b>(16,796)</b>                | <b>4,894,357</b>               |
| <b>Fund Balances Beginning of Year</b>                               | <b>18,075,724</b>    | <b>1,727,117</b>    | <b>5,967,722</b>        | <b>3,780,685</b>        | <b>76,735</b>    | <b>917,687</b>                 | <b>30,545,670</b>              |
| <b>Fund Balances End of Year</b>                                     | <b>\$ 18,663,403</b> | <b>\$ 1,977,050</b> | <b>\$ 11,450,785</b>    | <b>\$ 2,371,071</b>     | <b>\$ 76,827</b> | <b>\$ 900,891</b>              | <b>\$ 35,440,027</b>           |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures**  
**and Changes in Fund Balances to the Government-wide Statement of Activities**  
**For the Year Ended June 30, 2014**

|                                                                |           |                  |
|----------------------------------------------------------------|-----------|------------------|
| <b>Net Changes In Fund Balances - Total Governmental Funds</b> | <b>\$</b> | <b>4,894,357</b> |
|----------------------------------------------------------------|-----------|------------------|

**Amounts Reported for Governmental Activities in the  
Statement of Activities Are Different Because**

Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.

|                      |    |             |           |
|----------------------|----|-------------|-----------|
| Depreciation expense | \$ | (2,885,301) |           |
| Capital outlay       |    | 2,268,847   | (616,454) |

|                                                                                                                                                           |  |       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------|
| Amortization of debt issuance costs and debt premiums are not reported at the fund level but are reported in the government wide statement of activities. |  | 8,906 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------|

Property tax revenues in the government-wide statement of activities do not provide current financial resources are not reported as revenues in the governmental fund operating statement.

|                    |    |             |           |
|--------------------|----|-------------|-----------|
| Deferred @ 6/30/14 | \$ | 1,598,141   |           |
| Deferred @ 6/30/13 |    | (2,111,824) | (513,683) |

Interfund transfers between governmental funds are reported on the governmental fund's operating statement but eliminated on the government-wide statement of activities.

|               |    |             |   |
|---------------|----|-------------|---|
| Transfers in  | \$ | (2,892,386) |   |
| Transfers out |    | 2,892,386   | - |

Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore are not reported as expenditures in governmental funds.

|                     |    |          |       |
|---------------------|----|----------|-------|
| Liability @ 6/30/14 | \$ | (77,345) |       |
| Liability @ 6/30/13 |    | 80,879   | 3,534 |

Other postemployment expenses are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

|                     |    |           |           |
|---------------------|----|-----------|-----------|
| Liability @ 6/30/14 | \$ | (678,725) |           |
| Liability @ 6/30/13 |    | 578,580   | (100,145) |

Repayment of long-term capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net assets. Includes the forgiveness of debt.

551,573

Compensated absences expenses are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

|                     |    |           |          |
|---------------------|----|-----------|----------|
| Liability @ 6/30/14 | \$ | (931,378) |          |
| Liability @ 6/30/13 |    | 850,732   | (80,646) |

|                                                          |           |                  |
|----------------------------------------------------------|-----------|------------------|
| <b>Change In Net Position of Governmental Activities</b> | <b>\$</b> | <b>4,147,442</b> |
|----------------------------------------------------------|-----------|------------------|

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**General Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

|                                                                      | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance with<br/>Final Budget</b> |
|----------------------------------------------------------------------|----------------------------|-------------------------|----------------------|---------------------------------------|
| <b>Revenues</b>                                                      |                            |                         |                      |                                       |
| Taxes                                                                | \$ 22,619,100              | \$ 23,451,100           | \$ 24,545,576        | \$ 1,094,476                          |
| Licenses and permits                                                 | 114,275                    | 114,275                 | 177,978              | 63,703                                |
| Intergovernmental                                                    | 1,504,850                  | 1,513,350               | 1,472,786            | (40,564)                              |
| Charges for services                                                 | 1,504,580                  | 1,504,580               | 1,445,132            | (59,448)                              |
| Fines and forfeitures                                                | 994,000                    | 994,000                 | 1,012,159            | 18,159                                |
| Investment earnings                                                  | 30,000                     | 30,000                  | 25,393               | (4,607)                               |
| Contributions and donations                                          | 6,000                      | 6,000                   | 14,029               | 8,029                                 |
| Miscellaneous                                                        | 495,750                    | 495,750                 | 487,019              | (8,731)                               |
| <b>Total Revenues</b>                                                | <b>27,268,555</b>          | <b>28,109,055</b>       | <b>29,180,072</b>    | <b>1,071,017</b>                      |
| <b>Expenditures</b>                                                  |                            |                         |                      |                                       |
| <b>Current</b>                                                       |                            |                         |                      |                                       |
| General government                                                   | 6,858,048                  | 6,885,342               | 6,391,249            | 494,093                               |
| Judicial                                                             | 3,276,819                  | 3,283,819               | 3,008,007            | 275,812                               |
| Public safety                                                        | 11,176,044                 | 11,184,544              | 10,479,072           | 705,472                               |
| Highways and streets                                                 | 3,119,677                  | 3,119,677               | 2,604,310            | 515,367                               |
| Health and welfare                                                   | 698,908                    | 723,908                 | 711,767              | 12,141                                |
| Culture and recreation                                               | 2,056,033                  | 2,056,033               | 1,816,975            | 239,058                               |
| Conservation                                                         | 216,918                    | 216,918                 | 169,193              | 47,725                                |
| Economic development                                                 | 258,781                    | 258,781                 | 258,781              | -                                     |
| Planning and zoning                                                  | 309,081                    | 309,081                 | 253,964              | 55,117                                |
| <b>Debt Service</b>                                                  |                            |                         |                      |                                       |
| Principal retirement                                                 | 551,575                    | 551,575                 | 551,573              | 2                                     |
| Interest and fiscal charges                                          | 424,593                    | 424,593                 | 424,593              | -                                     |
| <b>Total Expenditures</b>                                            | <b>28,946,477</b>          | <b>29,014,271</b>       | <b>26,669,484</b>    | <b>2,344,787</b>                      |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(1,677,922)</b>         | <b>(905,216)</b>        | <b>2,510,588</b>     | <b>3,415,804</b>                      |
| <b>Other Financing Sources (Uses)</b>                                |                            |                         |                      |                                       |
| Transfers in                                                         | 1,682,945                  | 882,945                 | 867,919              | (15,026)                              |
| Transfers out                                                        | (2,812,296)                | (2,812,296)             | (2,812,296)          | -                                     |
| Proceeds from the<br>sale of capital assets                          | 10,000                     | 10,000                  | 21,468               | 11,468                                |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>(1,119,351)</b>         | <b>(1,919,351)</b>      | <b>(1,922,909)</b>   | <b>(3,558)</b>                        |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ (2,797,273)</b>      | <b>\$ (2,824,567)</b>   | <b>587,679</b>       | <b>\$ 3,412,246</b>                   |
| <b>Fund Balances Beginning of Year</b>                               |                            |                         | <b>18,075,724</b>    |                                       |
| <b>Fund Balances End of Year</b>                                     |                            |                         | <b>\$ 18,663,403</b> |                                       |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Fire Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**

|                                                                     | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget</b> |
|---------------------------------------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|
| <b>Revenues</b>                                                     |                            |                         |                     |                                       |
| Taxes                                                               | \$ 1,690,000               | \$ 1,690,000            | \$ 1,842,195        | \$ 152,195                            |
| Licenses and permits                                                | 31,500                     | 31,500                  | 41,486              | 9,986                                 |
| Intergovernmental                                                   | -                          | 20,000                  | 20,000              | -                                     |
| Charges for services                                                | 1,000                      | 1,000                   | 6                   | (994)                                 |
| Investment earnings                                                 | 1,100                      | 1,100                   | 1,111               | 11                                    |
| Contributions and donations                                         | 1,000                      | 1,000                   | -                   | (1,000)                               |
| Miscellaneous                                                       | -                          | -                       | 10                  | 10                                    |
| <b>Total Revenues</b>                                               | <u>1,724,600</u>           | <u>1,744,600</u>        | <u>1,904,808</u>    | <u>160,208</u>                        |
| <b>Expenditures</b>                                                 |                            |                         |                     |                                       |
| <b>Current</b>                                                      |                            |                         |                     |                                       |
| Public safety                                                       |                            |                         |                     |                                       |
| Personal services and benefits                                      | 3,612,385                  | 3,612,385               | 3,256,937           | 355,448                               |
| Purchased and contracted services                                   | 258,350                    | 291,951                 | 262,723             | 29,228                                |
| Supplies                                                            | 334,350                    | 300,749                 | 295,700             | 5,049                                 |
| <b>Capital Outlay</b>                                               | <u>-</u>                   | <u>20,000</u>           | <u>20,000</u>       | <u>-</u>                              |
| <b>Total Expenditures</b>                                           | <u>4,205,085</u>           | <u>4,225,085</u>        | <u>3,835,360</u>    | <u>389,725</u>                        |
| <b>Excess (Deficiency) of Revenues<br/>Over(Under) Expenditures</b> | (2,480,485)                | (2,480,485)             | (1,930,552)         | 549,933                               |
| <b>Other Financing Sources</b>                                      |                            |                         |                     |                                       |
| Transfers in                                                        | <u>2,180,485</u>           | <u>2,180,485</u>        | <u>2,180,485</u>    | <u>-</u>                              |
| <b>Net Change in Fund Balances</b>                                  | <u>\$ (300,000)</u>        | <u>\$ (300,000)</u>     | 249,933             | <u>\$ 549,933</u>                     |
| <b>Fund Balances Beginning of Year</b>                              |                            |                         | <u>1,727,117</u>    |                                       |
| <b>Fund Balances End of Year</b>                                    |                            |                         | <u>\$ 1,977,050</u> |                                       |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2014**

|                                                       | Business-type Activities -<br>Enterprise Funds |                              |                      |
|-------------------------------------------------------|------------------------------------------------|------------------------------|----------------------|
|                                                       | Solid<br>Waste<br>Management                   | Other<br>Proprietary<br>Fund | Total                |
| <b>Assets</b>                                         |                                                |                              |                      |
| <b>Current Assets</b>                                 |                                                |                              |                      |
| Cash and cash equivalents                             | \$ 7,191,689                                   | \$ 182,062                   | \$ 7,373,751         |
| Receivables                                           |                                                |                              |                      |
| Accounts receivable                                   | 160,157                                        | -                            | 160,157              |
| Interfund                                             | 400,000                                        | -                            | 400,000              |
| <b>Total Current Assets</b>                           | <b>7,751,846</b>                               | <b>182,062</b>               | <b>7,933,908</b>     |
| <b>Noncurrent Assets</b>                              |                                                |                              |                      |
| <b>Capital Assets</b>                                 |                                                |                              |                      |
| Land                                                  | 623,929                                        | 80,000                       | 703,929              |
| Depreciable, net                                      | 5,400,677                                      | -                            | 5,400,677            |
| <b>Total Noncurrent Assets</b>                        | <b>6,024,606</b>                               | <b>80,000</b>                | <b>6,104,606</b>     |
| <b>Total Assets</b>                                   | <b>13,776,452</b>                              | <b>262,062</b>               | <b>14,038,514</b>    |
| <b>Liabilities</b>                                    |                                                |                              |                      |
| <b>Current Liabilities</b>                            |                                                |                              |                      |
| Accounts payable                                      | 4,935                                          | 1,352                        | 6,287                |
| Accrued salaries                                      | -                                              | 1,624                        | 1,624                |
| Compensated absences payable                          | -                                              | 1,723                        | 1,723                |
| Closure and post-closure care payable                 | 3,850                                          | -                            | 3,850                |
| <b>Total Current Liabilities</b>                      | <b>8,785</b>                                   | <b>4,699</b>                 | <b>13,484</b>        |
| <b>Long-Term Liabilities (net of current portion)</b> |                                                |                              |                      |
| Compensated absences payable                          | -                                              | 2,913                        | 2,913                |
| Closure and post-closure care payable                 | 3,636,596                                      | -                            | 3,636,596            |
| <b>Total Long-Term Liabilities</b>                    | <b>3,636,596</b>                               | <b>2,913</b>                 | <b>3,639,509</b>     |
| <b>Total Liabilities</b>                              | <b>3,645,381</b>                               | <b>7,612</b>                 | <b>3,652,993</b>     |
| <b>Net Position</b>                                   |                                                |                              |                      |
| Investment in capital assets                          | 6,024,606                                      | 80,000                       | 6,104,606            |
| Unrestricted                                          | 4,106,465                                      | 174,450                      | 4,280,915            |
| <b>Total Net Position</b>                             | <b>\$ 10,131,071</b>                           | <b>\$ 254,450</b>            | <b>\$ 10,385,521</b> |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2014**

|                                       | <b>Business-type Activities -<br/>Enterprise Funds</b> |                                       |                      |
|---------------------------------------|--------------------------------------------------------|---------------------------------------|----------------------|
|                                       | <b>Solid<br/>Waste<br/>Management</b>                  | <b>Other<br/>Proprietary<br/>Fund</b> | <b>Total</b>         |
| <b>Operating Revenues</b>             |                                                        |                                       |                      |
| Sales                                 | \$ -                                                   | \$ 81,340                             | \$ 81,340            |
| Charges for services                  | 314,907                                                | -                                     | 314,907              |
| Miscellaneous                         | -                                                      | 170                                   | 170                  |
| <b>Total Operating Revenues</b>       | <b>314,907</b>                                         | <b>81,510</b>                         | <b>396,417</b>       |
| <b>Operating Expenses</b>             |                                                        |                                       |                      |
| Personal services and benefits        | -                                                      | 56,804                                | 56,804               |
| Purchased and contracted services     | 51,388                                                 | 16,897                                | 68,285               |
| Supplies                              | 2,565                                                  | 19,952                                | 22,517               |
| Closure and post-closure care         | 200,041                                                | -                                     | 200,041              |
| Depletion                             | 1,171,737                                              | -                                     | 1,171,737            |
| Depreciation                          | 155,525                                                | -                                     | 155,525              |
| <b>Total Operating Expenses</b>       | <b>1,581,256</b>                                       | <b>93,653</b>                         | <b>1,674,909</b>     |
| <b>Operating (Loss)</b>               | <b>(1,266,349)</b>                                     | <b>(12,143)</b>                       | <b>(1,278,492)</b>   |
| <b>Non-Operating Revenues</b>         |                                                        |                                       |                      |
| Investment earnings                   | 11,257                                                 | 218                                   | 11,475               |
| <b>(Loss) Before Transfers</b>        | <b>(1,255,092)</b>                                     | <b>(11,925)</b>                       | <b>(1,267,017)</b>   |
| Transfers in                          | -                                                      | 40,000                                | 40,000               |
| Transfers out                         | (747,829)                                              | -                                     | (747,829)            |
| <b>Change in Net Position</b>         | <b>(2,002,921)</b>                                     | <b>28,075</b>                         | <b>(1,974,846)</b>   |
| <b>Net Position Beginning of Year</b> | <b>12,133,992</b>                                      | <b>226,375</b>                        | <b>12,360,367</b>    |
| <b>Net Position End of Year</b>       | <b>\$ 10,131,071</b>                                   | <b>\$ 254,450</b>                     | <b>\$ 10,385,521</b> |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2014**

|                                                                        | <b>Business-type Activities -<br/>Enterprise Funds</b> |                                       |                     |
|------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------|---------------------|
|                                                                        | <b>Solid<br/>Waste<br/>Management</b>                  | <b>Other<br/>Proprietary<br/>Fund</b> | <b>Total</b>        |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>                |                                                        |                                       |                     |
| <b>Cash Flows from Operating Activities</b>                            |                                                        |                                       |                     |
| Cash received from customers                                           | \$ 285,016                                             | \$ 81,510                             | \$ 366,526          |
| Cash payments to employees for services and benefits                   | -                                                      | (56,679)                              | (56,679)            |
| Cash payments for goods and services                                   | (49,242)                                               | (41,131)                              | (90,373)            |
| <b>Net Cash Provided (Used) by Operating Activities</b>                | <u>235,774</u>                                         | <u>(16,300)</u>                       | <u>219,474</u>      |
| <b>Cash Flows from Noncapital Financing Activities</b>                 |                                                        |                                       |                     |
| Cash received for interfund advance                                    | (567,257)                                              | -                                     | (567,257)           |
| Transfers in                                                           | -                                                      | 40,000                                | 40,000              |
| Cash transfers out                                                     | (747,829)                                              | -                                     | (747,829)           |
| <b>Net Cash Provided (Used) by Noncapital<br/>Financing Activities</b> | <u>(1,315,086)</u>                                     | <u>40,000</u>                         | <u>(1,275,086)</u>  |
| <b>Cash Flows from Investing Activities</b>                            |                                                        |                                       |                     |
| Investment earnings                                                    | <u>11,257</u>                                          | <u>218</u>                            | <u>11,475</u>       |
| <b>Net Cash Provided by Investing Activities</b>                       | <u>11,257</u>                                          | <u>218</u>                            | <u>11,475</u>       |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b>        | (1,068,055)                                            | 23,918                                | (1,044,137)         |
| <b>Cash and Cash Equivalents Beginning of Year</b>                     | <u>8,259,744</u>                                       | <u>158,144</u>                        | <u>8,417,888</u>    |
| <b>Cash and Cash Equivalents End of Year</b>                           | <u>\$ 7,191,689</u>                                    | <u>\$ 182,062</u>                     | <u>\$ 7,373,751</u> |

(Continued)

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2014**

(Continued)

|                                                                                                   | <b>Business-type Activities -<br/>Enterprise Funds</b> |                                       |                   |
|---------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------|-------------------|
|                                                                                                   | <b>Solid<br/>Waste<br/>Management</b>                  | <b>Other<br/>Proprietary<br/>Fund</b> | <b>Total</b>      |
| <b>Reconciliation of Operating (Loss) to Net Cash<br/>Provided (Used) by Operating Activities</b> |                                                        |                                       |                   |
| <b>Operating (Loss)</b>                                                                           | \$ (1,266,349)                                         | \$ (12,143)                           | \$ (1,278,492)    |
| <b>Adjustments</b>                                                                                |                                                        |                                       |                   |
| Depreciation                                                                                      | 155,525                                                | -                                     | 155,525           |
| Depletion                                                                                         | 1,171,737                                              | -                                     | 1,171,737         |
| <b>(Increase) Decrease in Assets</b>                                                              |                                                        |                                       |                   |
| Accounts receivable                                                                               | (29,891)                                               | -                                     | (29,891)          |
| <b>Increase (Decrease) in Liabilities</b>                                                         |                                                        |                                       |                   |
| Accounts payable                                                                                  | 4,711                                                  | (4,282)                               | 429               |
| Accrued salaries                                                                                  | -                                                      | 148                                   | 148               |
| Compensated absences payable                                                                      | -                                                      | (23)                                  | (23)              |
| Closure and post-closure care                                                                     | 200,041                                                | -                                     | 200,041           |
| <b>Net Cash Provided (Used) by Operating Activities</b>                                           | <b>\$ 235,774</b>                                      | <b>\$ (16,300)</b>                    | <b>\$ 219,474</b> |

See accompanying notes to the basic financial statements

**Gordon County, Georgia**  
***Statement of Fiduciary Assets and Liabilities***  
***Agency Funds***  
***June 30, 2014***

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**Assets**

Cash and cash equivalents

\$ 1,469,207

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**Liabilities**

Due to others

\$ 1,469,207

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See accompanying notes to the basic financial statements

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**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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Gordon County, (the County), is a political subdivision of the State of Georgia. The County is governed by an elected board of county commissioners which is governed by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, and Clerk of Superior Court. The cost of operations of the Superior Court Judges and the District Attorney, which are elected court functions, is shared with the State of Georgia. Only that portion of the cost for which the County is responsible is reported in the County's financial statements.

**Note 1 - Summary of Significant Accounting Policies**

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the County's accounting policies are described below.

**1-A. Reporting Entity**

The reporting entity is comprised of the primary government, a component unit and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identifies the financial data of the County's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.

A brief description of the discretely presented component unit follows:

**Gordon County Health Department (Health Department)** – Gordon County Health Department Public Health Program was created by legislative act in the State of Georgia to provide health care services and health education to residents of the County. The Health Department board consists of seven members. Four of the members are either County officials or members appointed by the County. The three remaining members are appointed by the City of Calhoun. Although the County does not have authority to approve or modify the budget for the Department, the County provides financial support to the Department. The Health Department's separately issued financial statements may be obtained for the fiscal year ended June 30, 2014 at the department's administrative office at North River Street, Calhoun, Georgia.

**1-B. Basis of Presentation**

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

**Government-wide Financial Statements** - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component unit are presented separately within these financial statements with the focus on the primary

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The fiduciary funds of the primary government are not included in the government-wide financial statements.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

**Fund Financial Statements** - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns.

**Fund Accounting** - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds** - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

**Major Governmental Funds**

**General Fund** - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

**Fire Fund** - This fund accounts for revenue restricted to fire protection in the unincorporated areas of the County. The primary revenue stream is property taxes restricted for fire protection.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Road Project Fund** – This fund accounts for capital improvements made to existing roads, streets and bridges financed through the special purpose local option sales tax.

**2005 SPLOST Projects Fund** – This fund accounts for the construction of the County judicial complex, fire station, unincorporated road and bridge improvements, courthouse improvements and various capital improvements for the cities of Calhoun, Fairmount, Resaca, Plainville and Ranger. These capital improvements are financed with the special purpose local option sales tax.

**2012 SPLOST Projects Fund** – This fund accounts for the construction of the County courthouse complex, fire station, unincorporated road and bridge improvements, public safety improvements, general purpose improvements and various capital improvements for the cities of Calhoun, Fairmount, Resaca, and Plainville. These capital improvements are financed with the special purpose local option sales tax.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The proprietary funds are classified as enterprise funds. The major enterprise fund is described below:

**Solid Waste Management Fund** – This fund accounts for the County's landfill operations.

**Fiduciary Funds** – The County's fiduciary funds are agency funds for use by the County's constitutional officers comprised of the Tax Commissioner, Clerk of Superior Court, Sheriff, Probate Court, Magistrate Court, and the Juvenile Court.

**1-C. Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities and deferred inflows of resources associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

**Fund Financial Statements** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statements of cash flows provide information about how the County finances and meets the cash flow needs of its proprietary activities.

**1-D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Fiduciary funds use the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Revenues – Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

**Revenues - Non-exchange Transactions** - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 3-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, and federal and state grants.

**Unearned Revenue** - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

**1-E. Assets, Liabilities and Fund Equity**

**1-E-1 Cash and Cash Equivalents**

The County operates a cash and investment pool which all funds utilize with the exception of the landfill capital projects fund and agency funds, each which has separate bank accounts and investments. The County pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments (with maturities of three months or less) are essentially demand deposits and are considered cash and cash equivalents.

The County operates a linked zero balance cash system with two zero balance accounts. All deposits are made in the collection account, and all disbursements are made from the pooled cash account and the payroll account. The bank each day automatically moves all funds from the collection account to the funding account; the bank then automatically invests daily the entire balance of the funding account as of business cut off in repurchase agreements.

The County allocates investment earnings of the cash and investment pool to each participating fund on a monthly basis in accordance with that funds average equity balance in the pool for that month.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

The County has not adopted investment policies regarding "risk."

**1-E-2 Receivables**

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Unbilled solid waste charges are accrued as receivables and revenue at June 30, 2014.

**1-E-3 Interfund Balances**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

**1-E-4 Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2014, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

**1-E-5 Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the enterprise funds' statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of twenty thousand dollars. The County's infrastructure consists primarily of roads and bridges. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

| Description                       | Governmental<br>Activities<br>Estimated Lives | Business-Type<br>Activities<br>Estimated Lives |
|-----------------------------------|-----------------------------------------------|------------------------------------------------|
| Buildings                         | 40 years                                      | 40 years                                       |
| Improvements other than buildings | 30 years                                      | 30 years                                       |
| Machinery and equipment           | 5 – 10 years                                  | 5 – 7 years                                    |
| Infrastructure                    | 40 years                                      | ---                                            |

At the inception of capital leases at the governmental fund reporting level, expenditures and an “other financing source” of an equal amount are reported at the net present value of future minimum lease payments.

**1-E-6 Deferred Inflows of Resources**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has two types of items, which arise only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**1-E-7 Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only “*when due*.”

**1-E-8 Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Capital leases are recognized as a liability in the governmental fund financial statements when due.

**1-E-9 Debt Premiums, Discounts and Issuance Costs**

On the government-wide statement of net assets and the proprietary fund type statement of net assets, debt premiums and discounts are netted against debt payable and debt issuance costs are recognized as an outflow of resources in the period incurred. On the government-wide and proprietary fund type statement of activities, unamortized debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. At the government fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as debt service expenditure.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**1-E-10 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 position.”

**Governmental Fund Balances** – Generally, governmental fund balances represent the difference between the current assets and current liabilities. 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 resources can be spent. Fund balances are classified as follows:

Non-spendable – 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 County Commission through the approval of a resolution. Only the County may modify or rescind the commitment.

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.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion.

**Net Position** – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is 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. All other net position is reported as unrestricted.

**Net Position Flow Assumptions** – In order to report net position as a restricted-net position and an unrestricted-net position in the government-wide and proprietary fund financial statements, the County has established a flow assumption policy. It is the County’s policy to use restricted-net position first before using unrestricted-net position.

**Fund Balance 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
- Unassigned

**1-E-11 Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for solid waste and sales from the chert mine. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Items that do not result from the provision of goods or services to customers or directly related to the principal and usual activity of the fund are recorded as nonoperating revenues and expenses. These items include investment earnings and gains or losses on the disposition of capital assets.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

**1-E-12 Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**1-E-13 Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

**1-E-14 Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**1-E-15 Comparative Data**

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

**Note 2 – Stewardship, Compliance and Accountability**

**2-A. Budgetary Information** – The County adopts an annual operating budget for the general fund, each special revenue fund and each capital project fund. The budget resolution reflects the total of each department's appropriation in each fund.

All annual budgets are adopted on a basis consistent with GAAP. Payments from the capital projects fund to cities for special purpose local option sales taxes are budgeted as capital outlay, rather than as intergovernmental.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of County Commissioners.

The County Administration with the Chairman of the Board of Commissioner's approval may authorize budget transfers within departments, except those related to personnel salary changes. The Board of County Commissioners must approve transfers of personnel salary changes. During the year, the Board of County Commissioners approved budget revisions. Appropriations are encumbered as a result of purchase orders, contracts or other forms of legal commitments. Encumbrances outstanding at year end are reported as a reservation of fund balance. All annual appropriations lapse at each fiscal year-end and outstanding encumbrances at year-end must be reappropriated in the following fiscal year's budget.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 3 - Detailed Notes on All Funds**

**3-A. Deposits and Investments**

**Deposits** – All of the bank balance are insured or collateralized with securities held by the County or by its agent in the County's name or with securities held by the pledging financial institution's trust department or agent in the County's name.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

**Investments** - The County invests excess cash in the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). Funds included in the State Treasurer's Investment Pool are not required to be collateralized. The pool is regulated by the oversight of the Georgia Office of State Treasurer. The fair value of the County's position in the pool approximates the value of the County's pool shares. Credit risk, value, and interest risk at June 30, 2014 are as follows:

| <u>Credit Risk</u> | <u>Value</u>  | <u>Interest Risk</u> |
|--------------------|---------------|----------------------|
| AAAF rated         | \$ 39,605,743 | 62 days WAM          |

The County had \$800 in cash on hand at June 30, 2014.

**Primary Government Cash & Cash Equivalents:**

Total cash and cash equivalents reported at June 30, 2014 consisted of the following:

|                                                   |                             |
|---------------------------------------------------|-----------------------------|
| Governmental Funds - Balance Sheet - Unrestricted | \$ 33,783,002               |
| Proprietary Fund Type Statement of Net Assets     | 7,373,751                   |
| Statement of Fiduciary Assets and Liabilities     | <u>1,469,207</u>            |
| Total                                             | <u><u>\$ 42,625,960</u></u> |

**3-B. Receivables**

Receivables at June 30, 2014, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants and are reported net of allowance for doubtful accounts of \$869,788.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

**3-C. Property Taxes**

Property taxes are levied on all taxable real, public utilities, and personal property (including vehicles) located within the County. Assessed values for property tax purposes are determined by the Gordon County Board of Tax Assessors for all property except public utilities and motor vehicles. Assessed value is set at 40% of market value. Public utility assessed values are set by the State of Georgia. Property tax bills are generally payable 60 days after tax bills are issued.

The property tax calendar for fiscal year 2014 is as follows:

|                                                                  |                    |
|------------------------------------------------------------------|--------------------|
| Beginning of fiscal year for taxes                               | July 1, 2013       |
| Millage rate adopted by ordinance                                | August 20, 2013    |
| County Tax Digest approved by the State of Georgia               | August 27, 2013    |
| Real property tax bills and personal property tax bills rendered | September 12, 2013 |
| Real property tax and personal property tax payments due date    | December 20, 2013  |

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-D. Capital Assets**

Capital asset activity for the year ended June 30, 2014, was as follows:

|                                             | Balance<br>7/1/2013 | Additions    | Deductions   | Balance<br>6/30/2014 |
|---------------------------------------------|---------------------|--------------|--------------|----------------------|
| Governmental activities:                    |                     |              |              |                      |
| Nondepreciable capital assets:              |                     |              |              |                      |
| Land                                        | \$ 18,761,203       | \$ -         | \$ -         | \$ 18,761,203        |
| Construction in progress                    | 4,319,237           | 1,635,632    | 3,022,535    | 2,932,334            |
| Total nondepreciable capital assets         | 23,080,440          | 1,635,632    | 3,022,535    | 21,693,537           |
| Depreciable capital assets:                 |                     |              |              |                      |
| Land improvements                           | 10,697,379          | 400,000      | -            | 11,097,379           |
| Buildings                                   | 53,101,687          | 3,022,535    | -            | 56,124,222           |
| Machinery and equipment                     | 11,273,026          | 233,215      | 238,620      | 11,267,621           |
| Infrastructure                              | 55,497,850          | -            | -            | 55,497,850           |
| Total depreciable capital assets            | 130,569,942         | 3,655,750    | 238,620      | 133,987,072          |
| Total capital assets                        | 153,650,382         | 5,291,382    | 3,261,155    | 155,680,609          |
| Accumulated depreciation:                   |                     |              |              |                      |
| Land improvements                           | 2,575,940           | 351,621      | -            | 2,927,561            |
| Buildings                                   | 9,513,990           | 1,360,099    | -            | 10,874,089           |
| Machinery and equipment                     | 9,156,999           | 601,320      | 238,620      | 9,519,699            |
| Infrastructure                              | 41,180,740          | 572,261      | -            | 41,753,001           |
| Total accumulated depreciation              | 62,427,669          | 2,885,301    | 238,620      | 65,074,350           |
| Governmental activities capital assets, net | \$ 91,222,713       | \$ 2,406,081 | \$ 3,022,535 | \$ 90,606,259        |

Governmental activities depreciation expense

|                                                    |              |
|----------------------------------------------------|--------------|
| General government                                 | \$ 319,679   |
| Judicial                                           | 75,806       |
| Public safety                                      | 1,342,756    |
| Streets and highways                               | 731,676      |
| Culture and recreation                             | 415,384      |
| Total governmental activities depreciation expense | \$ 2,885,301 |

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

|                                              | Balance<br>7/1/2013 | Additions      | Deductions | Balance<br>6/30/2014 |
|----------------------------------------------|---------------------|----------------|------------|----------------------|
| Business-type activities:                    |                     |                |            |                      |
| Nondepreciable capital assets                |                     |                |            |                      |
| Land                                         | \$ 703,929          | \$ -           | \$ -       | \$ 703,929           |
| Depreciable capital assets:                  |                     |                |            |                      |
| Improvements                                 | 4,110,891           | -              | -          | 4,110,891            |
| Buildings                                    | 923,648             | -              | -          | 923,648              |
| Machinery and equipment                      | 4,034,635           | -              | -          | 4,034,635            |
| Landfill cell space                          | 15,834,276          | -              | -          | 15,834,276           |
| Total depreciable capital assets             | 24,903,450          | -              | -          | 24,903,450           |
| Total capital assets                         | 25,607,379          | -              | -          | 25,607,379           |
| Accumulated depreciation/depletion:          |                     |                |            |                      |
| Improvements                                 | 2,248,602           | 132,434        | -          | 2,381,036            |
| Buildings                                    | 428,258             | 23,091         | -          | 451,349              |
| Machinery and equipment                      | 4,034,635           | -              | -          | 4,034,635            |
| Landfill cell space                          | 11,464,016          | 1,171,737      | -          | 12,635,753           |
| Total accumulated depreciation/depletion     | 18,175,511          | 1,327,262      | -          | 19,502,773           |
| Business-type activities capital assets, net | \$ 7,431,868        | \$ (1,327,262) | \$ -       | \$ 6,104,606         |

**3-E. Interfund Balances and Transfers**

Interfund Balances – Interfund receivable and payable balances at June 30, 2014 are as follows:

| Fund                   | Receivable | Payable    |
|------------------------|------------|------------|
| 2012 SPLOST            | \$ -       | \$ 400,000 |
| Solid Waste Management | 400,000    | -          |
| Total                  | \$ 400,000 | \$ 400,000 |

The interfund payable of \$400,000 is the result of a cash advance from the Solid Waste Management Fund to pay for capital projects prior to receipt of sales tax revenues in the 2012 SPLOST Projects Fund.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

Interfund transfers for the year ended June 30, 2014, consisted of the following:

| Transfers to:               | Transfers from:     |                             |                             | Total               |
|-----------------------------|---------------------|-----------------------------|-----------------------------|---------------------|
|                             | General fund        | Solid Waste Management fund | Nonmajor governmental funds |                     |
| General fund                | \$ -                | \$ 747,829                  | \$ 120,090                  | \$ 867,919          |
| Fire fund                   | 2,180,485           | -                           | -                           | 2,180,485           |
| Chert fund                  | 40,000              | -                           | -                           | 40,000              |
| Nonmajor governmental funds | 591,811             | -                           | -                           | 591,811             |
| Total                       | <u>\$ 2,812,296</u> | <u>\$ 747,829</u>           | <u>\$ 120,090</u>           | <u>\$ 3,680,215</u> |

The principal purpose of interfund transfers is indicative of funding for capital projects or moving unrestricted revenues collected in one fund to subsidize various programs in other funds in accordance with budgetary authorization and reallocation of special revenues.

**3-F. Landfill Closure and Post Closure Care**

The United States Congress enacted the RCRA laws in 1976, with significant accompanying legislation being adopted by the State of Georgia in 1991, relating to the calculation, recording, and reporting of certain future costs that local governments and private sector operators of certain municipal solid waste landfills must recognize for financial reporting purposes. These costs are classified as those related to closing the facilities at the end of the useful life of the landfill, and the regulations apply to those sites, which continued accepting waste after October 9, 1991.

The Environmental Protection Agency (EPA) was given the responsibility to establish rules and procedures for assuring the public that the costs would be reported and that adequate funds would be available to cover these costs. Therefore, the Environmental Protection Agency (EPA) requires that owners and operators of municipal solid waste landfills demonstrate financial responsibility for the costs of closure, post closure, and corrective action associated with their facilities by requiring them to provide "Financial Assurance" that adequate funds would be available to cover these costs. The Final Ruling from EPA on the "Financial Assurance" Section of the RCRA Law was signed November 15, 1997. For purposes of "Financial Assurance," total assured costs at June 30, 2014 are \$11,064,974.

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care cost will be paid only near or after the date the landfill stops accepting waste, the County reports a portion of these closure and post closure costs as an operating expense in each period of operation. The landfill closure and post closure liability reported at June 30, 2014, in the amount of \$3,640,446 represents the cumulative amount reported to date based on the use of 17.40% of the estimated capacity of the landfill. The remaining estimated cost of closure and post closure in the amount of \$14,827,761 will be recognized as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and post closure care in 2014. Actual costs may change due to inflation or deflation or changes in technology or applicable laws and regulations. Current consumption rates indicate the Redbone Ridge site will last 73 years, or until the year 2087.

The costs for closure and estimated maintenance of the Harris Beamer landfill, which closed May 15, 1995, have been recorded. Funding for the Harris Beamer post closure costs is being provided from the accumulated cash reserves of the solid waste management enterprise fund.

On October 22, 2002, regulatory approval was granted for Red Bone Ridges Landfill for vertical expansion and design modification, which increased total capacity and decreased estimated closure costs.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 3 - Detailed Notes on All Funds (Continued)**

In addition, Phase I of Red Bone Ridges Landfill was completed at a lower cost than originally estimated and revisions to engineering calculation were made which decreased air space used. Engineering estimates for post closure costs for Harris Beamer Landfill, which is closed, were revised and decreased. Due to the 2013 vertical expansion and design modification, changes in engineering estimates and the completion of Phase 2-1B cell, closure cost expense recognized increased from (\$493,848) in the prior year to \$93,080, post closure expense recognized increased from (\$412,796) in the prior year to \$106,961; and depletion recognized increased from (\$2,854,758) in the prior year to \$1,171,737.

**3-G. Compensated Absences**

Employees can earn annual leave at various rates of 6 days per year for the first three years of service, with the exception of department heads who earn 12 days per year regardless of the number of years' service. The accrual increases in increments to a maximum of 18 days per year after ten years. There is no requirement that annual leave be taken, but the maximum permissible accumulation is 30 days. At termination, employees are paid for any accumulated annual leave.

**3-H. Long-Term Debt**

**Capital Leases** - The County has entered into capital leases for various pieces of equipment. These leases meet the criteria of a capital lease since they transfer benefits and risks of ownership to the lessee at the end of the lease term. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The assets acquired through capital leases are as follows:

|                               | <u>Governmental<br/>Activities</u> |
|-------------------------------|------------------------------------|
| Assets:                       |                                    |
| Land                          | \$ 1,676,702                       |
| Land improvements             | 2,231,254                          |
| Buildings                     | 44,854,748                         |
| Machinery and equipment       | 1,564,730                          |
| Less accumulated depreciation | <u>(9,300,671)</u>                 |
| Capital assets, net           | <u>\$ 41,026,763</u>               |

**BBT Capital Lease (Foremost Building)** – On June 1, 2004, the County entered into a capital lease agreement at an interest rate of 4.04% with BB&T to acquire the Foremost Building. The lease obligation is effective during the period from September 1, 2004 through June 1, 2014. Annual payments of interest and principal began on September 1, 2004. Total payments for the project are \$787,247 (principal of \$645,000 and interest of \$142,247). This obligation was paid in full during the year ended June 30, 2014.

**ACCG Capital Lease - Certificates of Participation - Series 2008** - On January 1, 2008, the County entered into a capital lease agreement (COP) at an interest rate of 3.961% with the Association of County Commissioners of Georgia Leasing Program to construct a Judicial Administrative building and complete the new jail. The lease obligation is effective during the period from January 1, 2008 through October 1, 2028. Semi-annual payments began on April 1, 2008. Total payments for this project are \$12,006,719 (principal of \$8,045,000 and interest of \$3,961,719).

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

**ACCG Capital Lease - Certificates of Participation - Series 2008 -Continued**

The following is an amortization schedule for this lease:

| Fiscal<br>Year | Principal           | Interest            | Total               |
|----------------|---------------------|---------------------|---------------------|
| 2015           | \$ 330,000          | \$ 255,175          | \$ 585,175          |
| 2016           | 340,000             | 242,600             | 582,600             |
| 2017           | 355,000             | 228,700             | 583,700             |
| 2018           | 370,000             | 214,200             | 584,200             |
| 2019           | 385,000             | 199,100             | 584,100             |
| 2020           | 400,000             | 183,400             | 583,400             |
| 2021           | 415,000             | 167,100             | 582,100             |
| 2022           | 430,000             | 150,200             | 580,200             |
| 2023           | 450,000             | 132,600             | 582,600             |
| 2024           | 465,000             | 114,300             | 579,300             |
| 2025           | 485,000             | 95,300              | 580,300             |
| 2026           | 505,000             | 75,500              | 580,500             |
| 2027           | 525,000             | 54,900              | 579,900             |
| 2028           | 545,000             | 33,500              | 578,500             |
| 2029           | 565,000             | 11,300              | 576,300             |
| Total          | <u>\$ 6,565,000</u> | <u>\$ 2,157,875</u> | <u>\$ 8,722,875</u> |

**Bank of America Capital Lease** - On July 3, 2007, the County entered into a capital lease purchase agreement at an interest rate of 4.920% with the Bank of America to construct a Department of Family and Children's Services building. The lease obligation is effective during the period from July 3, 2007 through October 1, 2028. Monthly payments began on March 1, 2008. Total payments for this project are \$6,329,859 (principal of \$3,951,999 and interest of \$2,377,860).

The following is an amortization schedule for this lease:

| Fiscal<br>Year | Principal           | Interest            | Total               |
|----------------|---------------------|---------------------|---------------------|
| 2015           | \$ 162,589          | \$ 148,304          | \$ 310,893          |
| 2016           | 170,773             | 140,122             | 310,895             |
| 2017           | 179,369             | 131,529             | 310,898             |
| 2018           | 188,397             | 122,503             | 310,900             |
| 2019           | 197,880             | 113,022             | 310,902             |
| 2020           | 207,841             | 103,065             | 310,906             |
| 2021           | 218,302             | 92,606              | 310,908             |
| 2022           | 229,290             | 81,620              | 310,910             |
| 2023           | 240,832             | 70,082              | 310,914             |
| 2024           | 252,954             | 57,963              | 310,917             |
| 2025           | 265,687             | 45,234              | 310,921             |
| 2026           | 279,060             | 31,864              | 310,924             |
| 2027           | 293,106             | 17,822              | 310,928             |
| 2028           | 201,853             | 3,724               | 205,577             |
| Total          | <u>\$ 3,087,933</u> | <u>\$ 1,159,460</u> | <u>\$ 4,247,393</u> |

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

The outstanding balance of the above liabilities is in governmental activities general long-term debt. Future minimum lease payments for all governmental capital leases are as follows:

| Fiscal<br>Year | Principal           | Interest            | Total                |
|----------------|---------------------|---------------------|----------------------|
| 2015           | \$ 492,589          | \$ 403,479          | \$ 896,068           |
| 2016           | 510,773             | 382,722             | 893,495              |
| 2017           | 534,369             | 360,229             | 894,598              |
| 2018           | 558,397             | 336,703             | 895,100              |
| 2019           | 582,880             | 312,122             | 895,002              |
| 2020           | 607,841             | 286,465             | 894,306              |
| 2021           | 633,302             | 259,706             | 893,008              |
| 2022           | 659,290             | 231,820             | 891,110              |
| 2023           | 690,832             | 202,682             | 893,514              |
| 2024           | 717,954             | 172,263             | 890,217              |
| 2025           | 750,687             | 140,534             | 891,221              |
| 2026           | 784,060             | 107,364             | 891,424              |
| 2027           | 818,106             | 72,722              | 890,828              |
| 2028           | 746,853             | 37,224              | 784,077              |
| 2029           | 565,000             | 11,300              | 576,300              |
| Total          | <u>\$ 9,652,933</u> | <u>\$ 3,317,335</u> | <u>\$ 12,970,268</u> |

**Changes in Long-term Debt** - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2014:

|                                           | Outstanding<br>7/1/2013 | Additions         | Reductions          | Outstanding<br>6/30/2014 | Amounts Due<br>in One Year |
|-------------------------------------------|-------------------------|-------------------|---------------------|--------------------------|----------------------------|
| Governmental Activities                   |                         |                   |                     |                          |                            |
| Capital Leases                            | \$ 10,204,506           | \$ -              | \$ 551,573          | \$ 9,652,933             | \$ 492,589                 |
| Unamortized Debt Premium                  | 132,722                 | -                 | 8,906               | 123,816                  | 8,905                      |
| Net Capital Leases                        | 10,337,228              | -                 | 560,479             | 9,776,749                | 501,494                    |
| Compensated Absences                      | 850,732                 | 798,706           | 718,060             | 931,378                  | 346,076                    |
| Total Governmental Activities             | <u>\$ 11,187,960</u>    | <u>\$ 798,706</u> | <u>\$ 1,278,539</u> | <u>\$ 10,708,127</u>     | <u>\$ 847,570</u>          |
| Business-Type Activities                  |                         |                   |                     |                          |                            |
| Landfill Closure and<br>Post-closure Care | \$ 3,440,405            | \$ 200,041        | \$ -                | \$ 3,640,446             | \$ 3,850                   |
| Compensated Absences                      | 4,659                   | 3,092             | 3,115               | 4,636                    | 1,723                      |
| Total Business-Type Activities            | <u>\$ 3,445,064</u>     | <u>\$ 203,133</u> | <u>\$ 3,115</u>     | <u>\$ 3,645,082</u>      | <u>\$ 5,573</u>            |
| Component Unit:                           |                         |                   |                     |                          |                            |
| Compensated Absences                      | <u>\$ 51,902</u>        | <u>\$ 7,079</u>   | <u>\$ 3,337</u>     | <u>\$ 55,644</u>         | <u>\$ -</u>                |

The capital lease obligations will be paid from the general fund, fire fund, recreation projects fund and emergency telephone system fund. The compensated absences liability will be paid from the fund in which the employees' salaries are paid, generally, the general fund, the fire fund, and the emergency telephone system fund for governmental activities and each of the enterprise funds. Funding for the Harris Beamer landfill closure and post-closure care is being provided from the accumulated cash reserves of the solid waste management enterprise fund.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 3 - Detailed Notes on All Funds (Continued)**

The Development Authority of Gordon County entered into a note payable agreement on December 15, 2009 in the amount of \$2,200,000. The note bears interest at 4.17% and is secured by land and a guarantee by Gordon County, Georgia. Principal and interest payments in the amount of \$55,000 are paid each year on June 15 and December 15 with the first payment due June 15, 2010, and the last payment due on December 15, 2019. The County does not report this note payable as a liability in the accompanying financial statements.

**3-I. Pensions**

**Primary Government Group Defined Contribution Plan** – The County offers its employees a defined contribution plan, County of Gordon Deferred Compensation Program (the “plan”), created in accordance with Internal Revenue Service 457. The participation in the plan was authorized by the Board of County Commissioners. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Effective October 1, 2012, the plan was funded on a 5% County and 3% employee match, based on gross earnings. The plan requires a minimum of 3% of gross earnings match from the employee before participating in the program. The deferrals are not available to employees until termination, retirement, death or unforeseeable emergency. For the year ended June 30, 2014, the amounts contributed were \$591,959 from employees and \$502,632 from the County’s following funds – General fund \$386,213, Special revenue funds \$114,636 and Proprietary fund \$1,783.

All amounts of contribution defined under the plan, all property and investments purchased with those amounts, and all income attributable to those amounts, properties, or rights are: held for the exclusive benefits of the employees, or retired employees or their beneficiaries, in a trust, custodial account, or qualified insurance contract, in conformity with the “Small Business Job Protection Act of 1996.” These sums are not reported within the County’s comprehensive annual financial report. Great-West administers the actual investment program as directed by the various participating employees.

**3-J. Other Postemployment Benefits (OPEB) – Healthcare**

The County administers a single-employer defined benefit health care plan, the *Gordon County Healthcare Plan*.

**Plan Description** – The Board of County Commissioners has the authority to establish the benefit provisions and may amend them as necessary. Coverage under the plan includes medical, prescription drug and dental benefits.

To be eligible for OPEB benefits, an employee must have been covered under the medical plan as an active member immediately prior to retirement, must be at least age 60 and have been employed by the County for the twenty-five previous years. Participants not eligible for retirement at the time of termination and are not eligible for immediate or future benefits from the plan. Retirees may not resume coverage under the plan once coverage has lapsed.

Coverage under the plan for the retiree ends upon Medicare eligibility. Coverage under the plan for dependents of retirees ends on the earlier of Medicare eligibility for the covered dependent or the retiree. Upon the death of the retiree with a covered spouse, the spouse is no longer eligible for coverage. At June 30, 2014, there is one retiree receiving benefits and 322 active members.

**Funding Policy** – The County has not advance-funded or established a funding methodology for the annual OPEB costs or to retire the net OPEB obligation. The Board of County Commissioners is the authority that sets the contribution rates for active employees and retirees. Both active employees and retirees pay a required annual contribution of \$364 for single coverage and \$1,846 for family coverage. The balance of the premium is paid by the County’s General fund. The County covers the cost of administering the plan.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

**Annual OPEB Cost and Net OPEB Obligation** – The following table for fiscal years 2010, 2011, 2012, 2013 and 2014 includes the County's annual OPEB cost, the amount actually contributed to the plan, and the changes in the County's net OPEB obligation:

|                                                             | June 30, 2014     | June 30, 2013     | June 30, 2012     | June 30, 2011     | June 30, 2010     |
|-------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Annual Required Contribution:</b>                        |                   |                   |                   |                   |                   |
| Normal cost                                                 | \$ 75,197         | \$ 103,666        | \$ 99,679         | \$ 70,728         | \$ 68,008         |
| Amortization of unfunded accrued actuarial liability (UAAL) | 58,069            | 80,936            | 74,525            | 58,815            | 55,174            |
| Annual required contribution (ARC)                          | <u>\$ 133,266</u> | <u>\$ 184,602</u> | <u>\$ 174,204</u> | <u>\$ 129,543</u> | <u>\$ 123,182</u> |
| <b>Net OPEB Obligation:</b>                                 |                   |                   |                   |                   |                   |
| Annual required contribution (ARC)                          | \$ 133,266        | \$ 184,602        | \$ 174,204        | \$ 129,543        | \$ 123,182        |
| Interest on prior year net OPEB obligation                  | 23,143            | 16,503            | 11,321            | 8,510             | 5,373             |
| Adjustment to ARC                                           | (33,459)          | (23,860)          | (16,367)          | (12,304)          | (7,768)           |
| Annual OPEB cost                                            | 122,950           | 177,245           | 169,158           | 125,749           | 120,787           |
| Contributions made                                          | (22,805)          | (11,247)          | (39,591)          | (55,493)          | (42,360)          |
| Increase in net OPEB obligation                             | 100,145           | 165,998           | 129,567           | 70,256            | 78,427            |
| Net OPEB obligation, beginning of year                      | 578,580           | 412,582           | 283,015           | 212,759           | 134,332           |
| Net OPEB obligation, end of year                            | <u>\$ 678,725</u> | <u>\$ 578,580</u> | <u>\$ 412,582</u> | <u>\$ 283,015</u> | <u>\$ 212,759</u> |

**Funded Status and Funding Progress** –The County's funding status based upon the five most recent actuarial valuation follows:

| Measurement Date | (1)<br>Actuarial Value of Assets | (2)<br>Actuarial Accrued Liability (AAL) | (3)<br>Funded Ratio (1)/(2) | (4)<br>Unfunded AAL/(UAAL) (2)-(1) | (5)<br>Annual Covered Payroll | (6)<br>UAAL as a Percentage of Covered Payroll |
|------------------|----------------------------------|------------------------------------------|-----------------------------|------------------------------------|-------------------------------|------------------------------------------------|
| 7/1/2009         | \$ -                             | \$ 954,077                               | 0.0%                        | \$ 954,077                         | \$ 13,643,183                 | 7.0%                                           |
| 7/1/2010         | -                                | 1,017,049                                | 0.0%                        | 1,017,049                          | 13,348,309                    | 7.6%                                           |
| 7/1/2011         | -                                | 1,288,697                                | 0.0%                        | 1,288,697                          | 13,371,586                    | 9.6%                                           |
| 7/1/2012         | -                                | 1,399,541                                | 0.0%                        | 1,399,541                          | 13,881,120                    | 10.1%                                          |
| 7/1/2013         | -                                | 1,004,147                                | 0.0%                        | 1,004,147                          | 14,341,073                    | 7.0%                                           |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

The annual OPEB cost for the last five fiscal years follows:

| Ended<br>June 30, | OPEB<br>Cost | OPEB<br>Contribution | Percentage<br>Contributed | Net OPEB<br>Obligation |
|-------------------|--------------|----------------------|---------------------------|------------------------|
| 2010              | \$ 120,787   | \$ 42,360            | 35.1%                     | \$ 212,759             |
| 2011              | 125,749      | 55,493               | 44.1%                     | 283,015                |
| 2012              | 169,158      | 39,591               | 23.4%                     | 412,582                |
| 2013              | 177,245      | 11,247               | 6.3%                      | 578,580                |
| 2014              | 122,950      | 22,805               | 18.5%                     | 678,725                |

**Actuarial Methods and Assumptions** – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The County's actuarial valuation information for the last five years is as follows:

| Current Valuation Date     | July 1, 2013           | July 1, 2012           | July 1, 2011           | July 1, 2010           | July 1, 2009           |
|----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Actuarial Cost Method      | Projected unit credit  | Projected unit credit  | Projected unit credit  | Projected unit credit  | Projected unit credit  |
| Amortization Method        | Level dollar           | Level dollar           | Level dollar           | Level dollar           | Level dollar           |
| Amortization Period        | 30 years open          | 30 years open          | 30 years open          | 30 years open          | 30 years open          |
| Asset Valuation Method     | Market value           | Market value           | Market value           | Market value           | Market value           |
| Actuarial Assumptions:     |                        |                        |                        |                        |                        |
| Discount Rate              | 4% compounded annually | 4% compounded annually | 4% compounded annually | 4% compounded annually | 4% compounded annually |
| Assumed Inflation Rate     | 2.50%                  | 2.75%                  | 2.75%                  | -                      | -                      |
| Healthcare Cost Trend Rate | 6.80%                  | 7.9%                   | 6.5%                   | 6.9%                   | 7.1%                   |

**3-K. Net Investment in Capital Assets**

The "net investment in capital assets," amount reported on the government-wide statement of position as of June 30, 2014 is determined as follows:

|                                        | Governmental<br>Activities | Business<br>Type<br>Activities |
|----------------------------------------|----------------------------|--------------------------------|
| Net investment in capital assets:      |                            |                                |
| Cost of capital assets                 | \$ 155,680,609             | \$ 25,607,379                  |
| Less accumulated depreciation          | 65,074,350                 | 19,502,773                     |
| Book value                             | 90,606,259                 | 6,104,606                      |
| Less capital related debt              | 9,652,933                  | -                              |
| Less unamortized debt issuance premium | 123,816                    | -                              |
| Net investment in capital assets       | <u>\$ 80,829,510</u>       | <u>\$ 6,104,606</u>            |

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-L. Percentage of Completion**

The road project fund had original costs estimated at \$17,500,000. The road project fund has total expenditures to date of \$20,580,089 for 117.60% of estimated original project costs completed at June 30, 2014. The 2005 SPLOST capital projects have total expenditures to date of \$55,651,382 for 108.40% of estimated projects costs completed at June 30, 2014. The 2012 SPLOST capital projects have total expenditures to date of \$7,656,618 for 14.82% of estimated projects costs completed at June 30, 2014.

**3-M. Fund Balances – Governmental Funds**

As of June 30, 2014, fund balances are composed of the following:

|                     | General<br>Fund      | Fire                | 2012 SPLOST<br>Projects | 2005 SPLOST<br>Projects | Road<br>Projects | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------|----------------------|---------------------|-------------------------|-------------------------|------------------|--------------------------------|--------------------------------|
| Nonspendable:       |                      |                     |                         |                         |                  |                                |                                |
| Prepays             | \$ 355,239           | \$ -                | \$ -                    | \$ -                    | \$ -             | \$ -                           | \$ 355,239                     |
| Restricted:         |                      |                     |                         |                         |                  |                                |                                |
| Public Safety       | -                    | 1,977,050           | -                       | -                       | -                | 668,923                        | 2,645,973                      |
| Capital Projects    | -                    | -                   | 11,450,785              | 2,371,071               | 76,827           | -                              | 13,898,683                     |
| Judicial            | -                    | -                   | -                       | -                       | -                | 231,968                        | 231,968                        |
| Committed:          |                      |                     |                         |                         |                  |                                |                                |
| Health Insurance    | 1,018,773            | -                   | -                       | -                       | -                | -                              | 1,018,773                      |
| Unassigned          | 17,289,391           | -                   | -                       | -                       | -                | -                              | 17,289,391                     |
| Total fund balances | <u>\$ 18,663,403</u> | <u>\$ 1,977,050</u> | <u>\$ 11,450,785</u>    | <u>\$ 2,371,071</u>     | <u>\$ 76,827</u> | <u>\$ 900,891</u>              | <u>\$ 35,440,027</u>           |

**Note 4 - Other Notes**

**4-A. Risk Management**

The County maintains insurance coverage for public official liability, comprehensive law enforcement liability, commercial auto and uninsured motorists, property, public employee dishonesty, employee workers' compensation, commercial general liability, and public official bond coverage. The authority to participate in this pool rests with the County Commissioners. The County is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In 1984, the County joined the ACCG Insurance Pool for the County's Workers' Compensation coverage and in 1991 for the County's General/Property Liability coverage. Currently the ACCG Insurance Pool insures 163 Counties and authorities for workers' compensation, and 111 counties and authorities for liability coverage. The cost for the insurance program is based on historical data and claims history for all counties and authorities included in the pool. The funds, which are allocated for the anticipated losses, are deposited and invested until such time that they are needed to pay claims. Excess insurance is purchased by the pool to protect the fund from catastrophic losses. The County is responsible for reducing the risk through a variety of risk management programs and continuing education with the assistance of the ACCG Insurance Pool.

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 4 - Other Notes (Continued)**

**4-B. Contingent Liabilities**

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was a defendant in several lawsuits at June 30, 2014. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

**4-C. Related Organizations** – The County has limited relationships with the following organizations:

**Calhoun-Gordon County Library** - Pursuant to an interlocal agreement, the County participates with other local governments in the Calhoun-Gordon County Library (Board). This local board is a member of the Dalton Regional Library System which fundamentally operates the libraries involved. The County has one representative on the board of five. Assets purchased remain the property of the local board. Land and buildings remain the property of the City of Calhoun as purchased.

All participants make regular contributions to the Library. The County's contribution for the year ended June 30, 2014 is \$195,904 and is reported as culture and recreation expenditures.

**Development Authority of Gordon County** - Pursuant to an interlocal agreement established January 17, 1984, the County participates with the City of Calhoun in the funding of the Development Authority with 25% of hotel/motel tax revenues collected.

The Development Authority of Gordon County is an authority created for the purpose of developing and promoting, for the public good and general welfare, trade, and commerce, industry and employment opportunities in Gordon County. The Board of Directors of the Development Authority consists of seven members who are appointed by the Gordon County Board of Commissioners. The County Commission has agreed with the City of Calhoun to allow the City to recommend the appointment of every other director. The Development Authority issues separate audited financial statements.

**Calhoun-Gordon County Airport Authority** - The Calhoun - Gordon County Airport Authority is a joint venture with the City and County each appointing two board members, with a fifth member appointed by the other board members. The City and County contribute operating subsidies and provide the local match for capital construction projects using state or federal monies equally. There are no day-to-day supervisory responsibilities and limited financial support for this Authority, and as such, the financial information for the Airport has not been made a part of these financial statements. The County's contributions for the year ended June 30, 2014 is \$148,781. The Airport issues separate audited financial statements.

**4-D. Joint Ventures**

Under Georgia law, the County, in conjunction with other cities and counties in the Northwest area, is a member of the Northwest Georgia Regional Commission (NWGRG). Membership in NWGRG is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the NWGRG. Membership in the NWGRG 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 NWGRG. During fiscal year 2014, the County paid \$39,954 in dues to the NWGRG. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, Jackson Hill, Rome, Georgia 30161.

**Gordon County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2014**

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**Note 4 - Other Notes (Continued)**

**4-E. Hotel-Motel Lodging Tax**

The County has levied a 8% lodging tax in accordance with O.C.G.A. 48-13-51 and expends 62.5% of the hotel/motel tax collections for the purpose of promoting tourism.

A summary of the transactions for the year ended June 30, 2014 follows:

|                                  |                  |
|----------------------------------|------------------|
| Lodging tax receipts             | <u>\$ 48,141</u> |
| Disbursements to:                |                  |
| Industrial Development Authority | \$ 12,035        |
| Chamber of Commerce              | <u>36,106</u>    |
| Total disbursements              | <u>\$ 48,141</u> |

**Gordon County, Georgia**  
**General Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                       | <u>2014</u>          | <u>2013</u>          |
|---------------------------------------|----------------------|----------------------|
| <b>Assets</b>                         |                      |                      |
| Cash and cash equivalents             | \$ 19,013,727        | \$ 18,257,452        |
| Receivables                           |                      |                      |
| Accounts                              | 130,985              | 163,107              |
| Property taxes                        | 1,998,490            | 2,506,699            |
| Sales taxes                           | 490,489              | 452,752              |
| Interfund                             | -                    | 567,257              |
| Intergovernmental                     | 122,082              | 110,278              |
| Prepaid items                         | 355,239              | 362,937              |
| <b>Total Assets</b>                   | <u>\$ 22,111,012</u> | <u>\$ 22,420,482</u> |
| <b>Liabilities</b>                    |                      |                      |
| Accounts payable                      | \$ 764,679           | \$ 1,241,712         |
| Accrued expenditures                  | 510,400              | 472,184              |
| <b>Total Liabilities</b>              | <u>1,275,079</u>     | <u>1,713,896</u>     |
| <b>Deferred Inflows of</b>            |                      |                      |
| <b>Resources</b> - unavailable        |                      |                      |
| revenue - property taxes              | 1,598,141            | 2,111,824            |
| revenue - GA. DOT future year funding | 574,389              | 519,038              |
| <b>Total Deferred Inflows</b>         | <u>2,172,530</u>     | <u>2,630,862</u>     |
| <b>Fund Balances:</b>                 |                      |                      |
| Nonspendable                          | 355,239              | 362,937              |
| Committed                             | 1,018,773            | 1,018,773            |
| Unassigned                            | 17,289,391           | 16,694,014           |
| <b>Total Fund Balances</b>            | <u>18,663,403</u>    | <u>18,075,724</u>    |
| <b>Total Liabilities, Deferred</b>    |                      |                      |
| <b>    Inflows of Resources and</b>   |                      |                      |
| <b>    Fund Balances</b>              | <u>\$ 22,111,012</u> | <u>\$ 22,420,482</u> |

**Gordon County, Georgia**  
**General Fund**  
*Comparative Statements of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For the Years Ended June 30, 2014 and 2013*

|                                             | <b>2014</b>          | <b>2013</b>          |
|---------------------------------------------|----------------------|----------------------|
| <b>Revenues</b>                             |                      |                      |
| Taxes                                       | \$ 24,545,576        | \$ 23,932,389        |
| Licenses and permits                        | 177,978              | 116,641              |
| Intergovernmental                           | 1,472,786            | 1,076,145            |
| Charges for services                        | 1,445,132            | 1,501,143            |
| Fines and forfeitures                       | 1,012,159            | 960,033              |
| Investment earnings                         | 25,393               | 29,775               |
| Contributions and donations                 | 14,029               | 18,932               |
| Miscellaneous                               | 487,019              | 407,406              |
| <b>Total Revenues</b>                       | <b>29,180,072</b>    | <b>28,042,464</b>    |
| <b>Expenditures</b>                         |                      |                      |
| <b>Current</b>                              |                      |                      |
| General government                          | 6,391,249            | 6,919,872            |
| Judicial                                    | 3,008,007            | 2,961,224            |
| Public safety                               | 10,479,072           | 10,211,725           |
| Highways and streets                        | 2,604,310            | 2,789,440            |
| Health and welfare                          | 711,767              | 709,427              |
| Culture and recreation                      | 1,816,975            | 1,868,238            |
| Conservation                                | 169,193              | 144,231              |
| Economic development                        | 258,781              | 197,281              |
| Planning and zoning                         | 253,964              | 290,853              |
| <b>Debt Service</b>                         |                      |                      |
| Principal retirement                        | 551,573              | 577,610              |
| Interest and fiscal charges                 | 424,593              | 446,266              |
| <b>Total Expenditures</b>                   | <b>26,669,484</b>    | <b>27,116,167</b>    |
| <b>Excess of Revenues Over Expenditures</b> | <b>2,510,588</b>     | <b>926,297</b>       |
| <b>Other Financing Sources (Uses)</b>       |                      |                      |
| Transfers in                                | 867,919              | 1,837,216            |
| Transfers out                               | (2,812,296)          | (2,340,000)          |
| Proceeds from the sale of capital assets    | 21,468               | 116,730              |
| <b>Total Other Financing Sources (Uses)</b> | <b>(1,922,909)</b>   | <b>(386,054)</b>     |
| <b>Net Change in Fund Balances</b>          | <b>587,679</b>       | <b>540,243</b>       |
| <b>Fund Balances Beginning of Year</b>      | <b>18,075,724</b>    | <b>17,535,481</b>    |
| <b>Fund Balances End of Year</b>            | <b>\$ 18,663,403</b> | <b>\$ 18,075,724</b> |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balances - Budget and Actual*  
*For the Year Ended June 30, 2014*  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                                  | 2014               |                   |                     |                               | 2013              |
|--------------------------------------------------|--------------------|-------------------|---------------------|-------------------------------|-------------------|
|                                                  | Original<br>Budget | Final<br>Budget   | Actual              | Variance with<br>Final Budget | Actual            |
| <b>Revenues</b>                                  |                    |                   |                     |                               |                   |
| <b>General property taxes</b>                    |                    |                   |                     |                               |                   |
| Current year levy                                | \$ 13,858,100      | \$ 13,858,100     | \$ 14,174,509       | \$ 316,409                    | \$ 14,081,280     |
| Prior years' levies                              | 586,000            | 586,000           | 1,115,655           | 529,655                       | 1,017,013         |
| Motor vehicle tax                                | 1,200,000          | 1,200,000         | 894,731             | (305,269)                     | 1,156,083         |
| Motor vehicle title tax                          | -                  | 832,000           | 1,202,964           | 370,964                       | 362,657           |
| Mobile home tax                                  | 40,000             | 40,000            | 28,222              | (11,778)                      | 31,307            |
| Penalties and interest - delinquent taxes        | 350,000            | 350,000           | 488,850             | 138,850                       | 528,423           |
| <b>Total general property taxes</b>              | <b>16,034,100</b>  | <b>16,866,100</b> | <b>17,904,931</b>   | <b>1,038,831</b>              | <b>17,176,763</b> |
| <b>Other taxes</b>                               |                    |                   |                     |                               |                   |
| Local option sales tax                           | 5,800,000          | 5,800,000         | 5,740,299           | (59,701)                      | 5,986,806         |
| Excise tax                                       | 150,000            | 150,000           | 223,249             | 73,249                        | 67,195            |
| Alcohol beverage tax                             | 190,000            | 190,000           | 170,036             | (19,964)                      | 172,167           |
| Real estate transfers tax                        | 181,000            | 181,000           | 214,787             | 33,787                        | 237,986           |
| Financial institution business<br>occupation tax | 70,000             | 70,000            | 74,476              | 4,476                         | 81,340            |
| Franchise tax                                    | 194,000            | 194,000           | 217,798             | 23,798                        | 210,132           |
| <b>Total other taxes</b>                         | <b>6,585,000</b>   | <b>6,585,000</b>  | <b>6,640,645</b>    | <b>55,645</b>                 | <b>6,755,626</b>  |
| <b>Total taxes</b>                               | <b>22,619,100</b>  | <b>23,451,100</b> | <b>24,545,576</b>   | <b>1,094,476</b>              | <b>23,932,389</b> |
| <b>Licenses and permits</b>                      |                    |                   |                     |                               |                   |
| Alcohol                                          | 32,250             | 32,250            | 37,050              | 4,800                         | 32,750            |
| Inspection fees                                  | 80,000             | 80,000            | 137,827             | 57,827                        | 80,492            |
| Other                                            | 2,025              | 2,025             | 3,101               | 1,076                         | 3,399             |
| <b>Total licenses and permits</b>                | <b>114,275</b>     | <b>114,275</b>    | <b>177,978</b>      | <b>63,703</b>                 | <b>116,641</b>    |
| <b>Fines and forfeitures</b>                     |                    |                   |                     |                               |                   |
| Judge of probate court                           | 550,000            | 550,000           | 602,707             | 52,707                        | 532,381           |
| Clerk of superior court                          | 275,000            | 275,000           | 253,996             | (21,004)                      | 225,516           |
| Magistrate court                                 | 160,000            | 160,000           | 147,634             | (12,366)                      | 193,024           |
| Juvenile court                                   | 2,000              | 2,000             | 1,820               | (180)                         | 3,095             |
| Child support                                    | 7,000              | 7,000             | 6,002               | (998)                         | 6,017             |
| <b>Total fines and forfeitures</b>               | <b>\$ 994,000</b>  | <b>\$ 994,000</b> | <b>\$ 1,012,159</b> | <b>\$ 18,159</b>              | <b>\$ 960,033</b> |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                        | 2014                 |                      |                      |                               | 2013                 |
|----------------------------------------|----------------------|----------------------|----------------------|-------------------------------|----------------------|
|                                        | Original<br>Budget   | Final<br>Budget      | Actual               | Variance with<br>Final Budget | Actual               |
| <b>Revenues</b>                        |                      |                      |                      |                               |                      |
| <b>Intergovernmental</b>               |                      |                      |                      |                               |                      |
| State Department of Transportation     | \$ 519,000           | \$ 519,000           | \$ 566,349           | \$ 47,349                     | \$ 547,473           |
| Section 5311 grant                     | 85,000               | 85,000               | 90,133               | 5,133                         | 78,952               |
| DCA-CDBG-grant                         | 436,350              | 436,350              | 438,000              | 1,650                         | 62,000               |
| Other grants                           | 139,500              | 148,000              | 100,595              | (47,405)                      | 78,912               |
| Federal payment in lieu of taxes       | 325,000              | 325,000              | 277,709              | (47,291)                      | 308,808              |
| <b>Total intergovernmental</b>         | <b>1,504,850</b>     | <b>1,513,350</b>     | <b>1,472,786</b>     | <b>(40,564)</b>               | <b>1,076,145</b>     |
| <b>Charges for services</b>            |                      |                      |                      |                               |                      |
| Court costs                            | 147,000              | 147,000              | 167,884              | 20,884                        | 178,961              |
| Recording fees                         | 124,100              | 124,100              | 131,493              | 7,393                         | 172,181              |
| Sheriff                                | 412,500              | 412,500              | 258,905              | (153,595)                     | 266,069              |
| Recreation fees                        | 171,300              | 171,300              | 132,115              | (39,185)                      | 168,833              |
| Animal control fees                    | 15,000               | 15,000               | 25,390               | 10,390                        | 22,680               |
| Street repairs and paving service fees | 2,000                | 2,000                | 2,458                | 458                           | 1,913                |
| Commissions                            | 610,850              | 610,850              | 676,057              | 65,207                        | 630,084              |
| Other                                  | 21,830               | 21,830               | 50,830               | 29,000                        | 60,422               |
| <b>Total charges for services</b>      | <b>1,504,580</b>     | <b>1,504,580</b>     | <b>1,445,132</b>     | <b>(59,448)</b>               | <b>1,501,143</b>     |
| <b>Investment earnings</b>             | <b>30,000</b>        | <b>30,000</b>        | <b>25,393</b>        | <b>(4,607)</b>                | <b>29,775</b>        |
| <b>Contributions and donations</b>     | <b>6,000</b>         | <b>6,000</b>         | <b>14,029</b>        | <b>8,029</b>                  | <b>18,932</b>        |
| <b>Miscellaneous revenues</b>          |                      |                      |                      |                               |                      |
| Pipe and lumber sales                  | 7,000                | 7,000                | 13,381               | 6,381                         | 6,863                |
| Rent                                   | 487,750              | 487,750              | 415,932              | (71,818)                      | 340,729              |
| Miscellaneous                          | 1,000                | 1,000                | 57,706               | 56,706                        | 59,814               |
| <b>Total miscellaneous revenues</b>    | <b>495,750</b>       | <b>495,750</b>       | <b>487,019</b>       | <b>(8,731)</b>                | <b>407,406</b>       |
| <b>Total Revenues</b>                  | <b>\$ 27,268,555</b> | <b>\$ 28,109,055</b> | <b>\$ 29,180,072</b> | <b>\$ 1,071,017</b>           | <b>\$ 28,042,464</b> |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                        | 2014               |                 |            |                               | 2013       |
|----------------------------------------|--------------------|-----------------|------------|-------------------------------|------------|
|                                        | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget | Actual     |
| <b>Expenditures</b>                    |                    |                 |            |                               |            |
| <b>Current</b>                         |                    |                 |            |                               |            |
| <b>General government</b>              |                    |                 |            |                               |            |
| Elections and voter registration       |                    |                 |            |                               |            |
| Personal services and benefits         | \$ 140,591         | \$ 140,591      | \$ 139,335 | \$ 1,256                      | \$ 164,742 |
| Purchased and contracted services      | 19,860             | 19,860          | 15,357     | 4,503                         | 16,426     |
| Supplies                               | 1,800              | 1,800           | 1,382      | 418                           | 4,180      |
| Total elections and voter registration | 162,251            | 162,251         | 156,074    | 6,177                         | 185,348    |
| County administrator                   |                    |                 |            |                               |            |
| Personal services and benefits         | 174,178            | 196,472         | 174,656    | 21,816                        | 161,658    |
| Purchased and contracted services      | 7,850              | 12,820          | 10,151     | 2,669                         | 4,940      |
| Supplies                               | 2,400              | 2,430           | 2,078      | 352                           | 1,158      |
| Total county administrator             | 184,428            | 211,722         | 186,885    | 24,837                        | 167,756    |
| Finance department                     |                    |                 |            |                               |            |
| Personal services and benefits         | 486,693            | 486,693         | 463,452    | 23,241                        | 465,472    |
| Purchased and contracted services      | 142,925            | 140,700         | 126,042    | 14,658                        | 131,456    |
| Supplies                               | 8,150              | 10,375          | 9,948      | 427                           | 7,695      |
| Total finance department               | 637,768            | 637,768         | 599,442    | 38,326                        | 604,623    |
| Board of commissioners                 |                    |                 |            |                               |            |
| Personal services and benefits         | 124,969            | 122,369         | 105,985    | 16,384                        | 84,519     |
| Purchased and contracted services      | 79,850             | 82,450          | 77,920     | 4,530                         | 73,170     |
| Supplies                               | 5,400              | 5,400           | 3,726      | 1,674                         | 5,101      |
| Total board of commissioners           | 210,219            | 210,219         | 187,631    | 22,588                        | 162,790    |
| County clerk                           |                    |                 |            |                               |            |
| Personal services and benefits         | 76,169             | 76,169          | 75,790     | 379                           | 74,146     |
| Purchased and contracted services      | 6,220              | 6,220           | 1,924      | 4,296                         | 3,857      |
| Supplies                               | 1,400              | 1,400           | 1,041      | 359                           | 2,772      |
| Total county clerk                     | 83,789             | 83,789          | 78,755     | 5,034                         | 80,775     |
| Human resources                        |                    |                 |            |                               |            |
| Personal services and benefits         | 190,348            | 190,348         | 181,640    | 8,708                         | 182,037    |
| Purchased and contracted services      | 18,000             | 18,000          | 12,838     | 5,162                         | 12,727     |
| Supplies                               | 6,900              | 6,900           | 3,597      | 3,303                         | 3,781      |
| Total human resources                  | \$ 215,248         | \$ 215,248      | \$ 198,075 | \$ 17,173                     | \$ 198,545 |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                   | <b>2014</b>                |                         |               |                                       | <b>2013</b>   |
|-----------------------------------|----------------------------|-------------------------|---------------|---------------------------------------|---------------|
|                                   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b> | <b>Variance with<br/>Final Budget</b> | <b>Actual</b> |
| Vehicle maintenance               |                            |                         |               |                                       |               |
| Personal services and benefits    | \$ 376,580                 | \$ 371,263              | \$ 353,637    | \$ 17,626                             | \$ 359,973    |
| Purchased and contracted services | 18,600                     | 13,600                  | 9,469         | 4,131                                 | 16,305        |
| Supplies                          | 37,700                     | 48,017                  | 32,102        | 15,915                                | 25,131        |
| Total vehicle maintenance         | 432,880                    | 432,880                 | 395,208       | 37,672                                | 401,409       |
| County attorney's office          |                            |                         |               |                                       |               |
| Personal services and benefits    | 135,565                    | 135,565                 | 124,178       | 11,387                                | 130,193       |
| Purchased and contracted services | 2,750                      | 2,750                   | 1,726         | 1,024                                 | 1,890         |
| Supplies                          | 2,350                      | 2,350                   | 375           | 1,975                                 | 878           |
| Total county attorney's office    | 140,665                    | 140,665                 | 126,279       | 14,386                                | 132,961       |
| Information technology            |                            |                         |               |                                       |               |
| Personal services and benefits    | 205,214                    | 205,214                 | 193,501       | 11,713                                | 193,019       |
| Purchased and contracted services | 61,475                     | 67,475                  | 52,128        | 15,347                                | 45,752        |
| Supplies                          | 67,500                     | 61,500                  | 57,676        | 3,824                                 | 50,575        |
| Total information technology      | 334,189                    | 334,189                 | 303,305       | 30,884                                | 289,346       |
| Tax commissioner                  |                            |                         |               |                                       |               |
| Personal services and benefits    | 749,173                    | 749,173                 | 686,331       | 62,842                                | 692,734       |
| Purchased and contracted services | 107,600                    | 107,600                 | 77,988        | 29,612                                | 81,115        |
| Supplies                          | 10,025                     | 10,025                  | 8,865         | 1,160                                 | 8,471         |
| Total tax commissioner            | 866,798                    | 866,798                 | 773,184       | 93,614                                | 782,320       |
| Tax appraiser/assessor            |                            |                         |               |                                       |               |
| Personal services and benefits    | 485,455                    | 472,255                 | 429,631       | 42,624                                | 436,946       |
| Purchased and contracted services | 106,500                    | 116,680                 | 111,376       | 5,304                                 | 121,740       |
| Supplies                          | 13,500                     | 16,520                  | 14,106        | 2,414                                 | 13,593        |
| Total appraiser/assessor          | \$ 605,455                 | \$ 605,455              | \$ 555,113    | \$ 50,342                             | \$ 572,279    |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                     | 2014               |                  |                  |                               | 2013             |
|-------------------------------------|--------------------|------------------|------------------|-------------------------------|------------------|
|                                     | Original<br>Budget | Final<br>Budget  | Actual           | Variance with<br>Final Budget | Actual           |
| Intergovernmental                   |                    |                  |                  |                               |                  |
| Personal services and benefits      | \$ 465,000         | \$ 507,950       | \$ 505,088       | \$ 2,862                      | \$ 400,188       |
| Purchased and contracted services   | 510,190            | 480,430          | 446,140          | 34,290                        | 388,789          |
| Capital outlay                      | 1,207,855          | 1,194,665        | 1,193,754        | 911                           | 1,896,538        |
| Total intergovernmental             | 2,183,045          | 2,183,045        | 2,144,982        | 38,063                        | 2,685,515        |
| Public buildings and grounds        |                    |                  |                  |                               |                  |
| Personal services and benefits      | 259,207            | 259,207          | 220,635          | 38,572                        | 223,821          |
| Purchased and contracted services   | 231,300            | 231,300          | 181,985          | 49,315                        | 188,825          |
| Supplies                            | 202,900            | 202,900          | 187,523          | 15,377                        | 157,245          |
| Capital outlay                      | -                  | -                | -                | -                             | -                |
| Total public buildings and grounds  | 693,407            | 693,407          | 590,143          | 103,264                       | 569,891          |
| Geographic information system       |                    |                  |                  |                               |                  |
| Personal services and benefits      | 68,061             | 68,061           | 63,621           | 4,440                         | 64,712           |
| Purchased and contracted services   | 28,325             | 30,775           | 25,946           | 4,829                         | 18,223           |
| Supplies                            | 11,520             | 9,070            | 6,606            | 2,464                         | 3,379            |
| Total geographic information system | 107,906            | 107,906          | 96,173           | 11,733                        | 86,314           |
| <b>Total general government</b>     | <b>6,858,048</b>   | <b>6,885,342</b> | <b>6,391,249</b> | <b>494,093</b>                | <b>6,919,872</b> |
| <b>Judicial</b>                     |                    |                  |                  |                               |                  |
| Probate court                       |                    |                  |                  |                               |                  |
| Personal services and benefits      | 368,489            | 368,489          | 345,257          | 23,232                        | 354,577          |
| Purchased and contracted services   | 38,225             | 40,631           | 38,732           | 1,899                         | 31,477           |
| Supplies                            | 7,000              | 4,594            | 4,444            | 150                           | 5,966            |
| Total probate court                 | 413,714            | 413,714          | 388,433          | 25,281                        | 392,020          |
| Juvenile court                      |                    |                  |                  |                               |                  |
| Personal services and benefits      | 449,596            | 449,596          | 421,678          | 27,918                        | 418,986          |
| Purchased and contracted services   | 265,550            | 216,250          | 154,855          | 61,395                        | 167,720          |
| Supplies                            | 13,460             | 12,760           | 6,860            | 5,900                         | 17,090           |
| Total juvenile court                | \$ 728,606         | \$ 678,606       | \$ 583,393       | \$ 95,213                     | \$ 603,796       |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                   | 2014                |                     |                     |                               | 2013                |
|-----------------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------|
|                                   | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget | Actual              |
| Juvenile court- Adjust program    |                     |                     |                     |                               |                     |
| Personal services and benefits    | \$ -                | \$ 22,945           | \$ 20,337           | \$ 2,608                      | \$ -                |
| Purchased and contracted services | -                   | 9,000               | 8,146               | 854                           | -                   |
| Supplies                          | -                   | 18,055              | 14,325              | 3,730                         | -                   |
| Total juvenile court              | \$ -                | \$ 50,000           | \$ 42,808           | 7,192                         | \$ -                |
| Superior court                    |                     |                     |                     |                               |                     |
| Personal services and benefits    | \$ 209,748          | \$ 209,748          | \$ 204,115          | \$ 5,633                      | \$ 173,371          |
| Purchased and contracted services | 131,350             | 126,345             | 85,885              | 40,460                        | 92,939              |
| Supplies                          | 8,200               | 13,205              | 8,929               | 4,276                         | 9,153               |
| Total superior court              | 349,298             | 349,298             | 298,929             | 50,369                        | 275,463             |
| Magistrate court                  |                     |                     |                     |                               |                     |
| Personal services and benefits    | 450,890             | 450,890             | 428,037             | 22,853                        | 421,409             |
| Purchased and contracted services | 31,800              | 29,672              | 24,665              | 5,007                         | 26,795              |
| Supplies                          | 19,045              | 21,173              | 19,630              | 1,543                         | 14,877              |
| Total magistrate court            | 501,735             | 501,735             | 472,332             | 29,403                        | 463,081             |
| Clerk of superior court           |                     |                     |                     |                               |                     |
| Personal services and benefits    | 582,718             | 582,718             | 540,694             | 42,024                        | 550,201             |
| Purchased and contracted services | 79,566              | 79,266              | 65,263              | 14,003                        | 76,352              |
| Supplies                          | 24,500              | 24,800              | 20,786              | 4,014                         | 24,291              |
| Total clerk of superior court     | 686,784             | 686,784             | 626,743             | 60,041                        | 650,844             |
| District attorney                 |                     |                     |                     |                               |                     |
| Personal services and benefits    | 335,257             | 342,257             | 339,961             | 2,296                         | 338,668             |
| Purchased and contracted services | 19,750              | 20,051              | 18,395              | 1,656                         | 11,363              |
| Supplies                          | 12,550              | 12,249              | 12,206              | 43                            | 12,418              |
| Total district attorney           | 367,557             | 374,557             | 370,562             | 3,995                         | 362,449             |
| Public defender                   |                     |                     |                     |                               |                     |
| Personal services and benefits    | 7,170               | 7,170               | 7,170               | -                             | 7,170               |
| Purchased and contracted services | 216,055             | 216,055             | 212,200             | 3,855                         | 201,817             |
| Supplies                          | 5,900               | 5,900               | 5,437               | 463                           | 4,584               |
| Total public defender             | 229,125             | 229,125             | 224,807             | 4,318                         | 213,571             |
| <b>Total judicial</b>             | <b>\$ 3,276,819</b> | <b>\$ 3,283,819</b> | <b>\$ 3,008,007</b> | <b>\$ 275,812</b>             | <b>\$ 2,961,224</b> |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                   | 2014                 |                      |                      |                               | 2013                 |
|-----------------------------------|----------------------|----------------------|----------------------|-------------------------------|----------------------|
|                                   | Original<br>Budget   | Final<br>Budget      | Actual               | Variance with<br>Final Budget | Actual               |
| <b>Public safety</b>              |                      |                      |                      |                               |                      |
| Coroner                           |                      |                      |                      |                               |                      |
| Personal services and benefits    | \$ 43,994            | \$ 43,994            | \$ 42,289            | \$ 1,705                      | \$ 43,429            |
| Purchased and contracted services | 21,900               | 18,350               | 16,003               | 2,347                         | 14,547               |
| Supplies                          | 15,900               | 19,450               | 17,262               | 2,188                         | 17,615               |
| Capital outlay                    | -                    | -                    | -                    | -                             | 24,701               |
| Total coroner                     | 81,794               | 81,794               | 75,554               | 6,240                         | 100,292              |
| Sheriff enforcement               |                      |                      |                      |                               |                      |
| Personal services and benefits    | 5,136,287            | 5,136,287            | 4,819,458            | 316,829                       | 4,743,893            |
| Purchased and contracted services | 195,544              | 212,370              | 206,227              | 6,143                         | 181,149              |
| Supplies                          | 565,976              | 549,150              | 533,055              | 16,095                        | 538,823              |
| Capital outlay                    | 33,397               | 33,397               | 31,591               | 1,806                         | -                    |
| Total sheriff enforcement         | 5,931,204            | 5,931,204            | 5,590,331            | 340,873                       | 5,463,865            |
| Sheriff - jail                    |                      |                      |                      |                               |                      |
| Personal services and benefits    | 2,840,406            | 2,840,406            | 2,615,034            | 225,372                       | 2,511,052            |
| Purchased and contracted services | 997,600              | 974,800              | 950,601              | 24,199                        | 1,021,598            |
| Supplies                          | 351,000              | 373,800              | 347,479              | 26,321                        | 311,790              |
| Capital outlay                    | 170,000              | 170,000              | 144,333              | 25,667                        | -                    |
| Total sheriff - jail              | 4,359,006            | 4,359,006            | 4,057,447            | 301,559                       | 3,844,440            |
| Emergency management              |                      |                      |                      |                               |                      |
| Personal services and benefits    | 136,377              | 136,377              | 105,765              | 30,612                        | 130,884              |
| Purchased and contracted services | 65,380               | 57,152               | 51,205               | 5,947                         | 54,886               |
| Supplies                          | 40,105               | 56,833               | 49,499               | 7,334                         | 36,125               |
| Total emergency management        | 241,862              | 250,362              | 206,469              | 43,893                        | 221,895              |
| Ambulance service                 | 294,000              | 294,000              | 294,000              | -                             | 336,000              |
| Georgia state patrol              | 3,700                | 3,700                | 3,551                | 149                           | 3,703                |
| Animal control                    |                      |                      |                      |                               |                      |
| Personal services and benefits    | 190,028              | 177,327              | 166,565              | 10,762                        | 179,315              |
| Purchased and contracted services | 34,300               | 51,306               | 50,677               | 629                           | 26,784               |
| Supplies                          | 40,150               | 35,845               | 34,478               | 1,367                         | 35,431               |
| Total animal control              | 264,478              | 264,478              | 251,720              | 12,758                        | 241,530              |
| <b>Total public safety</b>        | <b>\$ 11,176,044</b> | <b>\$ 11,184,544</b> | <b>\$ 10,479,072</b> | <b>\$ 705,472</b>             | <b>\$ 10,211,725</b> |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                                          | 2014               |                   |                   |                               | 2013              |
|----------------------------------------------------------|--------------------|-------------------|-------------------|-------------------------------|-------------------|
|                                                          | Original<br>Budget | Final<br>Budget   | Actual            | Variance with<br>Final Budget | Actual            |
| <b>Highways and streets</b>                              |                    |                   |                   |                               |                   |
| Personal services and benefits                           | \$ 1,992,739       | \$ 1,992,739      | \$ 1,698,448      | \$ 294,291                    | \$ 1,700,402      |
| Purchased and contracted services                        | 114,200            | 137,200           | 112,897           | 24,303                        | 85,446            |
| Supplies                                                 | 1,012,738          | 989,738           | 792,965           | 196,773                       | 1,003,592         |
| <b>Total highways and streets</b>                        | <b>3,119,677</b>   | <b>3,119,677</b>  | <b>2,604,310</b>  | <b>515,367</b>                | <b>2,789,440</b>  |
| <b>Health and welfare</b>                                |                    |                   |                   |                               |                   |
| Health                                                   |                    |                   |                   |                               |                   |
| Board of Health                                          | 405,262            | 405,262           | 405,262           | -                             | 405,262           |
| Calhoun City Schools Nurse Program                       | 34,125             | 34,125            | 34,125            | -                             | 34,125            |
| Gordon County Schools Nurse Program                      | 34,125             | 34,125            | 34,125            | -                             | 34,125            |
| Total health                                             | 473,512            | 473,512           | 473,512           | -                             | 473,512           |
| Welfare                                                  |                    |                   |                   |                               |                   |
| Coosa Valley Regional Service<br>Development Corporation | 3,276              | 3,276             | 3,276             | -                             | 3,276             |
| Other                                                    |                    |                   |                   |                               |                   |
| Department of Family and Children Serv.                  | 44,563             | 44,563            | 44,563            | -                             | 44,563            |
| Voluntary Action Center                                  | 9,919              | 9,919             | 9,919             | -                             | 9,919             |
| Prevent Child Abuse                                      | 2,730              | 2,730             | 2,730             | -                             | 2,730             |
| Section 5311 Public Transportation                       | 138,900            | 163,900           | 159,759           | 4,141                         | 153,777           |
| Winners Club                                             | 4,550              | 4,550             | 4,550             | -                             | 4,550             |
| Cherokee Capital Fair Association                        | 12,550             | 12,550            | 4,550             | 8,000                         | 12,550            |
| George Chambers Resource Center                          | 8,908              | 8,908             | 8,908             | -                             | 4,550             |
| Total other                                              | 222,120            | 247,120           | 234,979           | 12,141                        | 232,639           |
| <b>Total health and welfare</b>                          | <b>\$ 698,908</b>  | <b>\$ 723,908</b> | <b>\$ 711,767</b> | <b>\$ 12,141</b>              | <b>\$ 709,427</b> |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                       | 2014               |                  |                  |                               | 2013             |
|---------------------------------------|--------------------|------------------|------------------|-------------------------------|------------------|
|                                       | Original<br>Budget | Final<br>Budget  | Actual           | Variance with<br>Final Budget | Actual           |
| <b>Culture and recreation</b>         |                    |                  |                  |                               |                  |
| Parks and recreation                  |                    |                  |                  |                               |                  |
| Personal services and benefits        | \$ 611,936         | \$ 611,936       | \$ 504,331       | \$ 107,605                    | \$ 462,643       |
| Purchased and contracted services     | 167,800            | 172,118          | 139,136          | 32,982                        | 174,528          |
| Supplies                              | 362,300            | 357,982          | 310,421          | 47,561                        | 331,970          |
| Capital outlay                        | -                  | -                | -                | -                             | 22,784           |
| Total parks and recreation            | 1,142,036          | 1,142,036        | 953,888          | 188,148                       | 991,925          |
| Salacoa creek park                    |                    |                  |                  |                               |                  |
| Personal services and benefits        | 64,582             | 64,582           | 62,795           | 1,787                         | 64,010           |
| Purchased and contracted services     | 28,100             | 28,118           | 22,518           | 5,600                         | 25,128           |
| Supplies                              | 54,500             | 54,482           | 51,993           | 2,489                         | 50,687           |
| Capital outlay                        | -                  | -                | -                | -                             | 32,985           |
| Total salacoa creek park              | 147,182            | 147,182          | 137,306          | 9,876                         | 172,810          |
| Senior center                         |                    |                  |                  |                               |                  |
| Personal services and benefits        | 91,113             | 91,113           | 84,886           | 6,227                         | 87,143           |
| Purchased and contracted services     | 8,315              | 8,315            | 7,310            | 1,005                         | 6,295            |
| Supplies                              | 21,550             | 21,550           | 19,018           | 2,532                         | 19,543           |
| Capital outlay                        | 35,000             | 35,000           | 35,000           | -                             | -                |
| Total senior center                   | 155,978            | 155,978          | 146,214          | 9,764                         | 112,981          |
| Gordon County library                 | 227,174            | 227,174          | 195,904          | 31,270                        | 216,396          |
| Arts Council                          | 3,000              | 3,000            | 3,000            | -                             | 4,550            |
| City of Calhoun recreation department | 380,663            | 380,663          | 380,663          | -                             | 369,576          |
| <b>Total culture and recreation</b>   | <b>2,056,033</b>   | <b>2,056,033</b> | <b>1,816,975</b> | <b>239,058</b>                | <b>1,868,238</b> |
| <b>Conservation</b>                   |                    |                  |                  |                               |                  |
| County extension service              |                    |                  |                  |                               |                  |
| Personal services and benefits        | 120,580            | 120,580          | 98,663           | 21,917                        | 98,709           |
| Purchased and contracted services     | 10,938             | 10,638           | 8,184            | 2,454                         | 7,907            |
| Supplies                              | 12,350             | 12,650           | 10,533           | 2,117                         | 16,454           |
| Total county extension service        | 143,868            | 143,868          | 117,380          | 26,488                        | 123,070          |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                        | 2014               |                   |                   |                               | 2013              |
|----------------------------------------|--------------------|-------------------|-------------------|-------------------------------|-------------------|
|                                        | Original<br>Budget | Final<br>Budget   | Actual            | Variance with<br>Final Budget | Actual            |
| Other                                  |                    |                   |                   |                               |                   |
| Timber protection                      | 10,500             | 10,500            | 10,500            | -                             | 10,941            |
| DNR law enforcement division           | 1,200              | 1,200             | 881               | 319                           | 1,129             |
| AG center & Livestock pavilion         | 61,350             | 61,350            | 40,432            | 20,918                        | 9,091             |
| Total other                            | 73,050             | 73,050            | 51,813            | 21,237                        | 21,161            |
| <b>Total conservation</b>              | <b>\$ 216,918</b>  | <b>\$ 216,918</b> | <b>\$ 169,193</b> | <b>\$ 47,725</b>              | <b>\$ 144,231</b> |
| <b>Economic development</b>            |                    |                   |                   |                               |                   |
| Airport Authority                      | \$ 148,781         | \$ 148,781        | \$ 148,781        | \$ -                          | \$ 87,281         |
| Gordon County Development Authority    | 110,000            | 110,000           | 110,000           | -                             | 110,000           |
| <b>Total economic development</b>      | <b>258,781</b>     | <b>258,781</b>    | <b>258,781</b>    | <b>-</b>                      | <b>197,281</b>    |
| <b>Planning and zoning</b>             |                    |                   |                   |                               |                   |
| Building and planning                  |                    |                   |                   |                               |                   |
| Personal services and benefits         | 191,308            | 191,308           | 170,698           | 20,610                        | 184,148           |
| Purchased and contracted services      | 14,235             | 14,235            | 6,045             | 8,190                         | 6,388             |
| Supplies                               | 14,570             | 14,570            | 8,517             | 6,053                         | 9,916             |
| Capital outlay                         | -                  | -                 | -                 | -                             | 23,800            |
| Total building and planning            | 220,113            | 220,113           | 185,260           | 34,853                        | 224,252           |
| Planning commission                    |                    |                   |                   |                               |                   |
| Personal services and benefits         | 5,168              | 5,168             | 4,297             | 871                           | 2,325             |
| Purchased and contracted services      | 1,125              | 1,125             | 861               | 264                           | 571               |
| Supplies                               | 75                 | 75                | 11                | 64                            | 285               |
| Total planning commission              | 6,368              | 6,368             | 5,169             | 1,199                         | 3,181             |
| Historic preservation commission       |                    |                   |                   |                               |                   |
| Personal services and benefits         | 5,168              | 5,168             | 3,311             | 1,857                         | 4,521             |
| Purchased and contracted services      | 800                | 800               | 34                | 766                           | 35                |
| Supplies                               | 50                 | 50                | 26                | 24                            | -                 |
| Total historic preservation commission | 6,018              | 6,018             | 3,371             | 2,647                         | 4,556             |

**Gordon County, Georgia**  
**General Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual (Continued)**  
**For the Year Ended June 30, 2014**  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                                                      | <b>2014</b>                |                         |                      |                                       | <b>2013</b>          |
|----------------------------------------------------------------------|----------------------------|-------------------------|----------------------|---------------------------------------|----------------------|
|                                                                      | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance with<br/>Final Budget</b> | <b>Actual</b>        |
| Planning and development                                             |                            |                         |                      |                                       |                      |
| Personal services and benefits                                       | 57,502                     | 57,502                  | 57,053               | 449                                   | 56,040               |
| Purchased and contracted services                                    | 16,810                     | 16,810                  | 2,515                | 14,295                                | 2,089                |
| Supplies                                                             | 2,270                      | 2,270                   | 596                  | 1,674                                 | 735                  |
| Total planning and development                                       | 76,582                     | 76,582                  | 60,164               | 16,418                                | 58,864               |
| <b>Total planning and zoning</b>                                     | <b>\$ 309,081</b>          | <b>\$ 309,081</b>       | <b>\$ 253,964</b>    | <b>\$ 55,117</b>                      | <b>\$ 290,853</b>    |
| <b>Debt service</b>                                                  |                            |                         |                      |                                       |                      |
| Principal                                                            | \$ 551,575                 | \$ 551,575              | \$ 551,573           | \$ 2                                  | \$ 577,610           |
| Interest and fiscal charges                                          | 424,593                    | 424,593                 | 424,593              | -                                     | 446,266              |
| <b>Total debt service</b>                                            | <b>976,168</b>             | <b>976,168</b>          | <b>976,166</b>       | <b>2</b>                              | <b>1,023,876</b>     |
| <b>Total Expenditures</b>                                            | <b>28,946,477</b>          | <b>29,014,271</b>       | <b>26,669,484</b>    | <b>2,344,787</b>                      | <b>27,116,167</b>    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(1,677,922)</b>         | <b>(905,216)</b>        | <b>2,510,588</b>     | <b>3,415,804</b>                      | <b>926,297</b>       |
| <b>Other Financing Sources (Uses)</b>                                |                            |                         |                      |                                       |                      |
| Transfers in                                                         |                            |                         |                      |                                       |                      |
| Special revenue funds                                                | 120,090                    | 120,090                 | 120,090              | -                                     | 125,000              |
| Enterprise funds                                                     | 1,562,855                  | 762,855                 | 747,829              | (15,026)                              | 1,712,216            |
| Transfers out                                                        |                            |                         |                      |                                       |                      |
| Enterprise funds                                                     | (40,000)                   | (40,000)                | (40,000)             | -                                     | (15,000)             |
| Special revenue funds                                                | (2,772,296)                | (2,772,296)             | (2,772,296)          | -                                     | (2,325,000)          |
| Proceeds from the<br>sale of capital assets                          | 10,000                     | 10,000                  | 21,468               | 11,468                                | 116,730              |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>(1,119,351)</b>         | <b>(1,919,351)</b>      | <b>(1,922,909)</b>   | <b>(3,558)</b>                        | <b>(386,054)</b>     |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ (2,797,273)</b>      | <b>\$ (2,824,567)</b>   | <b>587,679</b>       | <b>\$ 3,412,246</b>                   | <b>540,243</b>       |
| <b>Fund Balances Beginning of Year</b>                               |                            |                         | <b>18,075,724</b>    |                                       | <b>17,535,481</b>    |
| <b>Fund Balances End of Year</b>                                     |                            |                         | <b>\$ 18,663,403</b> |                                       | <b>\$ 18,075,724</b> |

**Gordon County, Georgia**  
**Fire Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                              | <u>2014</u>                | <u>2013</u>                |
|----------------------------------------------|----------------------------|----------------------------|
| <b>Assets</b>                                |                            |                            |
| Cash and cash equivalents                    | \$ 275,010                 | \$ 112,508                 |
| Intergovernmental receivable                 | <u>1,842,195</u>           | <u>1,756,805</u>           |
| <b>Total Assets</b>                          | <u><u>\$ 2,117,205</u></u> | <u><u>\$ 1,869,313</u></u> |
| <b>Liabilities and Fund Balances</b>         |                            |                            |
| <b>Liabilities</b>                           |                            |                            |
| Accounts payable                             | \$ 39,415                  | \$ 52,495                  |
| Accrued expenditures                         | <u>100,740</u>             | <u>89,701</u>              |
| <b>Total Liabilities</b>                     | <u>140,155</u>             | <u>142,196</u>             |
| <b>Fund Balances:</b>                        |                            |                            |
| Restricted for public safety - fire services | <u>1,977,050</u>           | <u>1,727,117</u>           |
| <b>Total Fund Balances</b>                   | <u>1,977,050</u>           | <u>1,727,117</u>           |
| <b>Total Liabilities and Fund Balances</b>   | <u><u>\$ 2,117,205</u></u> | <u><u>\$ 1,869,313</u></u> |

**Gordon County, Georgia**  
**Fire Fund**  
*Comparative Statements of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For the Years Ended June 30, 2014 and 2013*

|                                                      | <b>2014</b>                | <b>2013</b>                |
|------------------------------------------------------|----------------------------|----------------------------|
| <b>Revenues</b>                                      |                            |                            |
| Taxes                                                | \$ 1,842,195               | \$ 1,756,805               |
| Licenses and permits                                 | 41,486                     | 38,541                     |
| Intergovernmental                                    | 20,000                     | -                          |
| Charges for services                                 | 6                          | 10                         |
| Investment earnings                                  | 1,111                      | 1,327                      |
| Contributions and donations                          | -                          | 4,000                      |
| Miscellaneous                                        | 10                         | -                          |
| <b>Total Revenues</b>                                | <u>1,904,808</u>           | <u>1,800,683</u>           |
| <b>Expenditures</b>                                  |                            |                            |
| <b>Current</b>                                       |                            |                            |
| Public safety                                        |                            |                            |
| Personal services and benefits                       | 3,256,937                  | 3,163,078                  |
| Purchased and contracted services                    | 262,723                    | 280,180                    |
| Supplies                                             | 295,700                    | 330,573                    |
| <b>Capital Outlay</b>                                | <u>20,000</u>              | <u>67,309</u>              |
| <b>Total Expenditures</b>                            | <u>3,835,360</u>           | <u>3,841,140</u>           |
| <b>(Deficiency) of Revenues (Under) Expenditures</b> | <u>(1,930,552)</u>         | <u>(2,040,457)</u>         |
| <b>Other Financing Sources</b>                       |                            |                            |
| Transfers in                                         | <u>2,180,485</u>           | <u>1,975,000</u>           |
| <b>Total Other Financing Sources</b>                 | <u>2,180,485</u>           | <u>1,975,000</u>           |
| <b>Net Change in Fund Balances</b>                   | 249,933                    | (65,457)                   |
| <b>Fund Balances Beginning of Year</b>               | <u>1,727,117</u>           | <u>1,792,574</u>           |
| <b>Fund Balances End of Year</b>                     | <u><u>\$ 1,977,050</u></u> | <u><u>\$ 1,727,117</u></u> |

**Gordon County, Georgia**  
**Fire Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                                                      | <b>2014</b>                |                         |                     |                                       | <b>2013</b>         |
|----------------------------------------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|---------------------|
|                                                                      | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget</b> | <b>Actual</b>       |
| <b>Revenues</b>                                                      |                            |                         |                     |                                       |                     |
| Taxes                                                                | \$ 1,690,000               | \$ 1,690,000            | \$ 1,842,195        | \$ 152,195                            | \$ 1,756,805        |
| Licenses and permits                                                 | 31,500                     | 31,500                  | 41,486              | 9,986                                 | 38,541              |
| Intergovernmental                                                    | -                          | 20,000                  | 20,000              | -                                     | -                   |
| Charges for services                                                 | 1,000                      | 1,000                   | 6                   | (994)                                 | 10                  |
| Investment earnings                                                  | 1,100                      | 1,100                   | 1,111               | 11                                    | 1,327               |
| Contributions and donations                                          | 1,000                      | 1,000                   | -                   | (1,000)                               | 4,000               |
| Miscellaneous                                                        | -                          | -                       | 10                  | 10                                    | -                   |
| <b>Total Revenues</b>                                                | <b>1,724,600</b>           | <b>1,744,600</b>        | <b>1,904,808</b>    | <b>160,208</b>                        | <b>1,800,683</b>    |
| <b>Expenditures</b>                                                  |                            |                         |                     |                                       |                     |
| <b>Current</b>                                                       |                            |                         |                     |                                       |                     |
| Public safety                                                        |                            |                         |                     |                                       |                     |
| Personal services and benefits                                       | 3,612,385                  | 3,612,385               | 3,256,937           | 355,448                               | 3,163,078           |
| Purchased and contracted services                                    | 258,350                    | 291,951                 | 262,723             | 29,228                                | 280,180             |
| Supplies                                                             | 334,350                    | 300,749                 | 295,700             | 5,049                                 | 330,573             |
| <b>Capital Outlay</b>                                                | <b>-</b>                   | <b>20,000</b>           | <b>20,000</b>       | <b>-</b>                              | <b>67,309</b>       |
| <b>Total Expenditures</b>                                            | <b>4,205,085</b>           | <b>4,225,085</b>        | <b>3,835,360</b>    | <b>389,725</b>                        | <b>3,841,140</b>    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(2,480,485)</b>         | <b>(2,480,485)</b>      | <b>(1,930,552)</b>  | <b>549,933</b>                        | <b>(2,040,457)</b>  |
| <b>Other Financing Sources</b>                                       |                            |                         |                     |                                       |                     |
| Transfers in                                                         | 2,180,485                  | 2,180,485               | 2,180,485           | -                                     | 1,975,000           |
| <b>Total Other Financing Sources</b>                                 | <b>2,180,485</b>           | <b>2,180,485</b>        | <b>2,180,485</b>    | <b>-</b>                              | <b>1,975,000</b>    |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ (300,000)</b>        | <b>\$ (300,000)</b>     | <b>249,933</b>      | <b>\$ 549,933</b>                     | <b>(65,457)</b>     |
| <b>Fund Balances Beginning of Year</b>                               |                            |                         | <b>1,727,117</b>    |                                       | <b>1,792,574</b>    |
| <b>Fund Balances End of Year</b>                                     |                            |                         | <b>\$ 1,977,050</b> |                                       | <b>\$ 1,727,117</b> |

**Gordon County, Georgia**  
**2012 SPLOST Projects Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                            | <u>2014</u>                 | <u>2013</u>                |
|--------------------------------------------|-----------------------------|----------------------------|
| <b>Assets</b>                              |                             |                            |
| Cash and cash equivalents                  | \$ 11,189,756               | \$ 5,897,972               |
| Sales taxes receivable                     | <u>705,372</u>              | <u>653,877</u>             |
| <b>Total Assets</b>                        | <u><u>\$ 11,895,128</u></u> | <u><u>\$ 6,551,849</u></u> |
| <b>Liabilities and Fund Balances</b>       |                             |                            |
| <b>Liabilities</b>                         |                             |                            |
| Accounts payable                           | \$ 44,343                   | \$ 184,127                 |
| Interfund payable                          | <u>400,000</u>              | <u>400,000</u>             |
| <b>Total Liabilities</b>                   | 444,343                     | 584,127                    |
| <b>Fund Balances</b>                       |                             |                            |
| Restricted for capital projects            | <u>11,450,785</u>           | <u>5,967,722</u>           |
| <b>Total Liabilities and Fund Balances</b> | <u><u>\$ 11,895,128</u></u> | <u><u>\$ 6,551,849</u></u> |

**Gordon County, Georgia**  
**2012 SPLOST Projects Fund**  
*Comparative Statements of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For the Years Ended June 30, 2014 and 2013*

|                                             | <u>2014</u>                 | <u>2013</u>                |
|---------------------------------------------|-----------------------------|----------------------------|
| <b>Revenues</b>                             |                             |                            |
| Taxes                                       | \$ 8,272,207                | \$ 8,643,654               |
| Investment earnings                         | 11,566                      | 5,389                      |
| <b>Total Revenues</b>                       | <u>8,283,773</u>            | <u>8,649,043</u>           |
| <b>Expenditures</b>                         |                             |                            |
| Intergovernmental                           | 1,956,372                   | 1,467,228                  |
| Capital Outlay                              | 844,338                     | 1,612,917                  |
| <b>Total Expenditures</b>                   | <u>2,800,710</u>            | <u>3,080,145</u>           |
| <b>Excess of Revenues Over Expenditures</b> | 5,483,063                   | 5,568,898                  |
| <b>Fund Balances Beginning of Year</b>      | <u>5,967,722</u>            | <u>398,824</u>             |
| <b>Fund Balances End of Year</b>            | <u><u>\$ 11,450,785</u></u> | <u><u>\$ 5,967,722</u></u> |

**Gordon County, Georgia**  
**2012 SPLOST PROJECTS FUND**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                                 | <b>2014</b>                |                         |                      |                                       | <b>2013</b>         |
|-------------------------------------------------|----------------------------|-------------------------|----------------------|---------------------------------------|---------------------|
|                                                 | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>        | <b>Variance with<br/>Final Budget</b> | <b>Actual</b>       |
| <b>Revenues</b>                                 |                            |                         |                      |                                       |                     |
| Taxes                                           | \$ 8,500,000               | \$ 8,500,000            | \$ 8,272,207         | \$ (227,793)                          | \$ 8,643,654        |
| Investment earnings                             | 10,000                     | 10,000                  | 11,566               | 1,566                                 | 5,389               |
| <b>Total Revenues</b>                           | <b>8,510,000</b>           | <b>8,510,000</b>        | <b>8,283,773</b>     | <b>(226,227)</b>                      | <b>8,649,043</b>    |
| <b>Expenditures</b>                             |                            |                         |                      |                                       |                     |
| Intergovernmental                               | 2,623,032                  | 2,623,032               | 1,956,372            | 666,660                               | 1,467,228           |
| Capital Outlay                                  | 5,877,968                  | 5,877,968               | 844,338              | 5,033,630                             | 1,612,917           |
| <b>Total Expenditures</b>                       | <b>8,501,000</b>           | <b>8,501,000</b>        | <b>2,800,710</b>     | <b>5,700,290</b>                      | <b>3,080,145</b>    |
| <b>Excess of Revenues<br/>Over Expenditures</b> | <b>\$ 9,000</b>            | <b>\$ 9,000</b>         | <b>5,483,063</b>     | <b>\$ 5,474,063</b>                   | <b>5,568,898</b>    |
| <b>Fund Balances Beginning of Year</b>          |                            |                         | <b>5,967,722</b>     |                                       | <b>398,824</b>      |
| <b>Fund Balances End of Year</b>                |                            |                         | <b>\$ 11,450,785</b> |                                       | <b>\$ 5,967,722</b> |

**Gordon County, Georgia**  
**2005 SPLOST Projects Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                            | <u>2014</u>         | <u>2013</u>         |
|--------------------------------------------|---------------------|---------------------|
| <b>Assets</b>                              |                     |                     |
| Cash and cash equivalents                  | \$ 2,371,071        | \$ 3,786,366        |
| <b>Total Assets</b>                        | <u>\$ 2,371,071</u> | <u>\$ 3,786,366</u> |
| <b>Liabilities and Fund Balances</b>       |                     |                     |
| <b>Liabilities</b>                         |                     |                     |
| Accounts payable                           | \$ -                | \$ 5,681            |
| <b>Fund Balances</b>                       |                     |                     |
| Restricted for capital projects            | <u>2,371,071</u>    | <u>3,780,685</u>    |
| <b>Total Liabilities and Fund Balances</b> | <u>\$ 2,371,071</u> | <u>\$ 3,786,366</u> |

**Gordon County, Georgia**  
**2005 SPLOST Projects Fund**  
*Comparative Statements of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For the Years Ended June 30, 2014 and 2013*

|                                                      | <u>2014</u>                | <u>2013</u>                |
|------------------------------------------------------|----------------------------|----------------------------|
| <b>Revenues</b>                                      |                            |                            |
| Investment earnings                                  | \$ 5,206                   | \$ 8,333                   |
| <b>Expenditures</b>                                  |                            |                            |
| <b>Capital Outlay</b>                                | 1,414,820                  | 1,636,720                  |
| <b>Debt Service</b>                                  |                            |                            |
| Principal retirement                                 | -                          | 3,750,000                  |
| Interest and fiscal charges                          | -                          | 93,750                     |
| <b>Total Expenditures</b>                            | <u>1,414,820</u>           | <u>5,480,470</u>           |
| <b>(Deficiency) of Revenues (Under) Expenditures</b> | (1,409,614)                | (5,472,137)                |
| <b>Fund Balances Beginning of Year</b>               | <u>3,780,685</u>           | <u>9,252,822</u>           |
| <b>Fund Balances End of Year</b>                     | <u><u>\$ 2,371,071</u></u> | <u><u>\$ 3,780,685</u></u> |

**Gordon County, Georgia**  
**2005 SPLOST PROJECTS FUND**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balances - Budget and Actual*  
*For the Year Ended June 30, 2014*  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                        | <b>2014</b>                |                         |                     |                                       | <b>2013</b>         |
|----------------------------------------|----------------------------|-------------------------|---------------------|---------------------------------------|---------------------|
|                                        | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance with<br/>Final Budget</b> | <b>Actual</b>       |
| <b>Revenues</b>                        |                            |                         |                     |                                       |                     |
| Investment earnings                    | \$ 5,000                   | \$ 5,000                | \$ 5,206            | \$ 206                                | \$ 8,333            |
| <b>Expenditures</b>                    |                            |                         |                     |                                       |                     |
| <b>Capital Outlay</b>                  | 1,659,462                  | 1,659,462               | 1,414,820           | 244,642                               | 1,636,720           |
| <b>Debt Service</b>                    |                            |                         |                     |                                       |                     |
| Principal retirement                   | -                          | -                       | -                   | -                                     | 3,750,000           |
| Interest and fiscal charges            | -                          | -                       | -                   | -                                     | 93,750              |
| <b>Total Expenditures</b>              | <u>1,659,462</u>           | <u>1,659,462</u>        | <u>1,414,820</u>    | <u>244,642</u>                        | <u>5,480,470</u>    |
| <b>(Deficiency) of Revenues</b>        |                            |                         |                     |                                       |                     |
| <b>(Under) Expenditures</b>            | <u>\$ (1,654,462)</u>      | <u>\$ (1,654,462)</u>   | (1,409,614)         | <u>\$ (244,848)</u>                   | (5,472,137)         |
| <b>Fund Balances Beginning of Year</b> |                            |                         | <u>3,780,685</u>    |                                       | <u>9,252,822</u>    |
| <b>Fund Balances End of Year</b>       |                            |                         | <u>\$ 2,371,071</u> |                                       | <u>\$ 3,780,685</u> |

**Gordon County, Georgia**  
**Road Projects Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                 | <u>2014</u>      | <u>2013</u>      |
|---------------------------------|------------------|------------------|
| <b>Assets</b>                   |                  |                  |
| Cash and cash equivalents       | <u>\$ 76,827</u> | <u>\$ 76,735</u> |
| <b>Fund Balances</b>            |                  |                  |
| Restricted for capital projects | <u>\$ 76,827</u> | <u>\$ 76,735</u> |

**Gordon County, Georgia**  
**Road Projects Fund**  
**Comparative Statements of Revenues and**  
**Changes in Fund Balances**  
**For the Years Ended June 30, 2014 and 2013**

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|                                        | <u>2014</u>             | <u>2013</u>             |
|----------------------------------------|-------------------------|-------------------------|
| <b>Revenues</b>                        |                         |                         |
| Investment earnings                    | \$ 92                   | \$ 119                  |
| <b>Fund Balances Beginning of Year</b> | <u>76,735</u>           | <u>76,616</u>           |
| <b>Fund Balances End of Year</b>       | <u><u>\$ 76,827</u></u> | <u><u>\$ 76,735</u></u> |

**Gordon County, Georgia**  
**Road Projects Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balances - Budget and Actual*  
*For the Year Ended June 30, 2014*  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                                                      | 2014               |                    |                  |                               | 2013             |
|----------------------------------------------------------------------|--------------------|--------------------|------------------|-------------------------------|------------------|
|                                                                      | Original<br>Budget | Final<br>Budget    | Actual           | Variance with<br>Final Budget | Actual           |
| <b>Revenues</b>                                                      |                    |                    |                  |                               |                  |
| Investment earnings                                                  | \$ 100             | \$ 100             | \$ 92            | \$ (8)                        | \$ 119           |
| <b>Expenditures</b>                                                  |                    |                    |                  |                               |                  |
| Intergovernmental                                                    | 43,096             | 43,096             | -                | 43,096                        | -                |
| Capital Outlay                                                       | 33,510             | 33,510             | -                | 33,510                        | -                |
| <b>Total Expenditures</b>                                            | 76,606             | 76,606             | -                | 76,606                        | -                |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>\$ (76,506)</u> | <u>\$ (76,506)</u> | 92               | <u>\$ 76,598</u>              | 119              |
| <b>Fund Balances Beginning of Year</b>                               |                    |                    | 76,735           |                               | 76,616           |
| <b>Fund Balances End of Year</b>                                     |                    |                    | <u>\$ 76,827</u> |                               | <u>\$ 76,735</u> |

**Gordon County, Georgia**  
**Solid Waste Management Fund**  
**Comparative Statements of Net Position**  
**June 30, 2014 and 2013**

|                                                                | <u>2014</u>          | <u>2013</u>          |
|----------------------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                                  |                      |                      |
| <b>Current Assets</b>                                          |                      |                      |
| Cash and cash equivalents                                      | \$ 7,191,689         | \$ 8,259,744         |
| Receivables                                                    |                      |                      |
| Accounts receivable                                            | 160,157              | 130,266              |
| Interfund                                                      | 400,000              | 400,000              |
| <b>Total Current Assets</b>                                    | <u>7,751,846</u>     | <u>8,790,010</u>     |
| <b>Noncurrent Assets</b>                                       |                      |                      |
| <b>Capital Assets</b>                                          |                      |                      |
| Land                                                           | 623,929              | 623,929              |
| Depreciable, net                                               | 5,400,677            | 6,727,939            |
| <b>Total Noncurrent Assets</b>                                 | <u>6,024,606</u>     | <u>7,351,868</u>     |
| <b>Total Assets</b>                                            | <u>13,776,452</u>    | <u>16,141,878</u>    |
| <b>Liabilities</b>                                             |                      |                      |
| <b>Current Liabilities</b>                                     |                      |                      |
| Accounts payable                                               | 4,935                | 224                  |
| Interfund payable                                              | -                    | 567,257              |
| Closure and post-closure care payable                          | 3,850                | 3,850                |
| <b>Total Current Liabilities</b>                               | 8,785                | 571,331              |
| <b>Long-Term Liabilities</b>                                   |                      |                      |
| Closure and post-closure care payable (net of current portion) | 3,636,596            | 3,436,555            |
| <b>Total Liabilities</b>                                       | <u>3,645,381</u>     | <u>4,007,886</u>     |
| <b>Net Position</b>                                            |                      |                      |
| Investments in capital assets                                  | 6,024,606            | 7,351,868            |
| Unrestricted                                                   | 4,106,465            | 4,782,124            |
| <b>Total Net Position</b>                                      | <u>\$ 10,131,071</u> | <u>\$ 12,133,992</u> |

**Gordon County, Georgia**  
**Solid Waste Management Fund**  
**Comparative Statements of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2014 and 2013**

|                                   | <u>2014</u> | <u>2013</u> |
|-----------------------------------|-------------|-------------|
| <b>Operating Revenues</b>         |             |             |
| Charges for services              | \$ 314,907  | \$ 623,688  |
| <b>Operating Expenses</b>         |             |             |
| <b>Landfill Operations</b>        |             |             |
| Purchased and contracted services | 45,568      | 44,099      |
| Supplies                          | 2,565       | 2,557       |
| <b>Total Landfill Operations</b>  | 48,133      | 46,656      |
| <b>Compactor Sites</b>            |             |             |
| Purchased and contracted services | 5,820       | 5,700       |
| <b>Unclassified</b>               |             |             |
| Closure                           | 93,080      | (493,848)   |
| Post closure                      | 106,961     | (412,796)   |
| Depreciation                      | 155,525     | 155,525     |
| Depletion                         | 1,171,737   | (2,854,758) |
| <b>Total Unclassified</b>         | 1,527,303   | (3,605,877) |
| <b>Total Operating Expenses</b>   | 1,581,256   | (3,553,521) |
| <b>Operating Income (Loss)</b>    | (1,266,349) | 4,177,209   |

(Continued)

**Gordon County, Georgia**  
**Solid Waste Management Fund**  
**Comparative Statements of Revenues,**  
**Expenses and Changes in Fund Net Position (Continued)**  
**For the Years Ended June 30, 2014 and 2013**

(Continued)

|                                                                | <u>2014</u>                 | <u>2013</u>                 |
|----------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Non-Operating Revenues</b>                                  |                             |                             |
| Investment earnings                                            | \$ 11,257                   | \$ 15,478                   |
| <b>Income (Loss) Before Capital Contribution and transfers</b> | (1,255,092)                 | 4,192,687                   |
| Capital contributions                                          | -                           | 1,026,858                   |
| Transfers out                                                  | <u>(747,829)</u>            | <u>(1,712,216)</u>          |
| <b>Change in Net Position</b>                                  | (2,002,921)                 | 3,507,329                   |
| <b>Net Position Beginning of Year</b>                          | <u>12,133,992</u>           | <u>8,626,663</u>            |
| <b>Net Position End of Year</b>                                | <u><u>\$ 10,131,071</u></u> | <u><u>\$ 12,133,992</u></u> |

**Gordon County, Georgia**  
**Solid Waste Management Fund**  
**Comparative Statements of Cash Flows**  
**For the Years Ended June 30, 2014 and 2013**

|                                                                    | <u>2014</u>         | <u>2013</u>         |
|--------------------------------------------------------------------|---------------------|---------------------|
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>            |                     |                     |
| <b>Cash Flows from Operating Activities</b>                        |                     |                     |
| Cash received from customers                                       | \$ 285,016          | \$ 658,748          |
| Cash payments for goods and services                               | (49,242)            | (58,065)            |
| <b>Net Cash Provided by Operating Activities</b>                   | <u>235,774</u>      | <u>600,683</u>      |
| <b>Cash Flows from Noncapital Financing Activities</b>             |                     |                     |
| Cash received for interfund advance                                | (567,257)           | 975,700             |
| Cash transfers out                                                 | (747,829)           | (1,144,959)         |
| <b>Net Cash Provided (Used) by Noncapital Financing Activities</b> | <u>(1,315,086)</u>  | <u>(169,259)</u>    |
| <b>Cash Flows from Investing Activities</b>                        |                     |                     |
| Investment earnings                                                | 11,257              | 15,478              |
| <b>Net Cash Provided by Investing Activities</b>                   | <u>11,257</u>       | <u>15,478</u>       |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>        | (1,068,055)         | 446,902             |
| <b>Cash and Cash Equivalents Beginning of Year</b>                 | <u>8,259,744</u>    | <u>7,812,842</u>    |
| <b>Cash and Cash Equivalents End of Year</b>                       | <u>\$ 7,191,689</u> | <u>\$ 8,259,744</u> |

(Continued)

**Gordon County, Georgia**  
**Solid Waste Management Fund**  
**Comparative Statements of Cash Flows (Continued)**  
**For the Years Ended June 30, 2014 and 2013**

(Continued)

|                                                                                               | <u>2014</u>       | <u>2013</u>         |
|-----------------------------------------------------------------------------------------------|-------------------|---------------------|
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities</b> |                   |                     |
| <b>Operating Income (Loss)</b>                                                                | \$ (1,266,349)    | \$ 4,177,209        |
| <b>Adjustments</b>                                                                            |                   |                     |
| Depreciation                                                                                  | 155,525           | 155,525             |
| Depletion                                                                                     | 1,171,737         | (2,854,758)         |
| <b>(Increase) Decrease in Assets</b>                                                          |                   |                     |
| Accounts receivable                                                                           | (29,891)          | 35,060              |
| <b>Increase (Decrease) in Liabilities</b>                                                     |                   |                     |
| Accounts payable                                                                              | 4,711             | (5,709)             |
| Closure and post closure care                                                                 | 200,041           | (906,644)           |
| <b>Net Cash Provided by Operating Activities</b>                                              | <u>\$ 235,774</u> | <u>\$ 600,683</u>   |
| <br><b>Noncash Investing, Capital and Financing Activities</b>                                |                   |                     |
| Capital assets were received through contribution from the landfill's operating lessee.       | <u>\$ -</u>       | <u>\$ 1,026,858</u> |

**Gordon County, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2014**

|                                            | <b>Emergency<br/>Telephone<br/>System</b> | <b>Supplemental<br/>Juvenile<br/>Services</b> | <b>Drug Abuse<br/>Treatment<br/>Education</b> | <b>Condemnation</b> | <b>Crime<br/>Victims<br/>Assistance</b> | <b>Hotel/Motel<br/>Taxes</b> | <b>Jail<br/>Maintenance and<br/>Construction</b> | <b>Total<br/>Nonmajor<br/>Special Revenue<br/>Funds</b> |
|--------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------------------------|---------------------|-----------------------------------------|------------------------------|--------------------------------------------------|---------------------------------------------------------|
| <b>Assets</b>                              |                                           |                                               |                                               |                     |                                         |                              |                                                  |                                                         |
| Cash and cash equivalents                  | \$ 521,371                                | \$ 4,130                                      | \$ 130,977                                    | \$ 24,697           | \$ 99,108                               | \$ -                         | \$ 76,328                                        | \$ 856,611                                              |
| Receivables                                |                                           |                                               |                                               |                     |                                         |                              |                                                  |                                                         |
| Accounts                                   | 87,145                                    | -                                             | -                                             | -                   | -                                       | -                            | -                                                | 87,145                                                  |
| Intergovernmental                          | 38,944                                    | -                                             | 2,297                                         | -                   | 2,410                                   | 8,999                        | 3,359                                            | 56,009                                                  |
| <b>Total Assets</b>                        | <b>\$ 647,460</b>                         | <b>\$ 4,130</b>                               | <b>\$ 133,274</b>                             | <b>\$ 24,697</b>    | <b>\$ 101,518</b>                       | <b>\$ 8,999</b>              | <b>\$ 79,687</b>                                 | <b>\$ 999,765</b>                                       |
| <b>Liabilities and Fund Balances</b>       |                                           |                                               |                                               |                     |                                         |                              |                                                  |                                                         |
| <b>Liabilities</b>                         |                                           |                                               |                                               |                     |                                         |                              |                                                  |                                                         |
| Accounts payable                           | \$ 29,259                                 | \$ -                                          | \$ 3,958                                      | \$ -                | \$ -                                    | \$ 8,999                     | \$ -                                             | \$ 42,216                                               |
| Accrued expenditures                       | 39,476                                    | -                                             | -                                             | -                   | 2,996                                   | -                            | -                                                | 42,472                                                  |
| Unearned revenues                          | -                                         | -                                             | -                                             | 14,186              | -                                       | -                            | -                                                | 14,186                                                  |
| <b>Total Liabilities</b>                   | <b>68,735</b>                             | <b>-</b>                                      | <b>3,958</b>                                  | <b>14,186</b>       | <b>2,996</b>                            | <b>8,999</b>                 | <b>-</b>                                         | <b>98,874</b>                                           |
| <b>Fund Balances</b>                       |                                           |                                               |                                               |                     |                                         |                              |                                                  |                                                         |
| Restricted for judicial                    | -                                         | 4,130                                         | 129,316                                       | -                   | 98,522                                  | -                            | -                                                | 231,968                                                 |
| Restricted for public safety               | 578,725                                   | -                                             | -                                             | 10,511              | -                                       | -                            | 79,687                                           | 668,923                                                 |
| <b>Total Fund Balances</b>                 | <b>578,725</b>                            | <b>4,130</b>                                  | <b>129,316</b>                                | <b>10,511</b>       | <b>98,522</b>                           | <b>-</b>                     | <b>79,687</b>                                    | <b>900,891</b>                                          |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 647,460</b>                         | <b>\$ 4,130</b>                               | <b>\$ 133,274</b>                             | <b>\$ 24,697</b>    | <b>\$ 101,518</b>                       | <b>\$ 8,999</b>              | <b>\$ 79,687</b>                                 | <b>\$ 999,765</b>                                       |

**Gordon County, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2014**

|                                                                      | Emergency<br>Telephone<br>System | Supplemental<br>Juvenile<br>Services | Drug Abuse<br>Treatment<br>Education | Condemnation     | Crime<br>Victims<br>Assistance | Hotel/Motel<br>Taxes | Jail<br>Maintenance and<br>Construction | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|----------------------------------------------------------------------|----------------------------------|--------------------------------------|--------------------------------------|------------------|--------------------------------|----------------------|-----------------------------------------|-----------------------------------------------|
| <b>Revenues</b>                                                      |                                  |                                      |                                      |                  |                                |                      |                                         |                                               |
| Taxes                                                                | \$ -                             | \$ -                                 | \$ -                                 | \$ -             | \$ -                           | \$ 48,141            | \$ -                                    | \$ 48,141                                     |
| Intergovernmental                                                    | 269,245                          | -                                    | -                                    | -                | -                              | -                    | -                                       | 269,245                                       |
| Charges for services                                                 | 811,804                          | -                                    | -                                    | -                | -                              | -                    | -                                       | 811,804                                       |
| Fines and forfeitures                                                | -                                | 870                                  | 82,540                               | 60,966           | 77,276                         | -                    | 132,200                                 | 353,852                                       |
| Investment earnings                                                  | 595                              | 6                                    | 232                                  | 8                | 151                            | -                    | 177                                     | 1,169                                         |
| <b>Total Revenues</b>                                                | <b>1,081,644</b>                 | <b>876</b>                           | <b>82,772</b>                        | <b>60,974</b>    | <b>77,427</b>                  | <b>48,141</b>        | <b>132,377</b>                          | <b>1,484,211</b>                              |
| <b>Expenditures</b>                                                  |                                  |                                      |                                      |                  |                                |                      |                                         |                                               |
| <b>Current</b>                                                       |                                  |                                      |                                      |                  |                                |                      |                                         |                                               |
| Judicial                                                             | -                                | 1                                    | 143,116                              | -                | 91,650                         | -                    | -                                       | 234,767                                       |
| Public safety                                                        | 1,598,402                        | -                                    | -                                    | 91,380           | -                              | -                    | 38                                      | 1,689,820                                     |
| Economic development                                                 | -                                | -                                    | -                                    | -                | -                              | 48,141               | -                                       | 48,141                                        |
| <b>Total Expenditures</b>                                            | <b>1,598,402</b>                 | <b>1</b>                             | <b>143,116</b>                       | <b>91,380</b>    | <b>91,650</b>                  | <b>48,141</b>        | <b>38</b>                               | <b>1,972,728</b>                              |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(516,758)</b>                 | <b>875</b>                           | <b>(60,344)</b>                      | <b>(30,406)</b>  | <b>(14,223)</b>                | <b>-</b>             | <b>132,339</b>                          | <b>(488,517)</b>                              |
| <b>Other Financing Sources (Uses)</b>                                |                                  |                                      |                                      |                  |                                |                      |                                         |                                               |
| Transfers in                                                         | 591,811                          | -                                    | -                                    | -                | -                              | -                    | -                                       | 591,811                                       |
| Transfers out                                                        | -                                | -                                    | -                                    | -                | -                              | -                    | (120,090)                               | (120,090)                                     |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>591,811</b>                   | <b>-</b>                             | <b>-</b>                             | <b>-</b>         | <b>-</b>                       | <b>-</b>             | <b>(120,090)</b>                        | <b>471,721</b>                                |
| <b>Net Change in Fund Balances</b>                                   | <b>75,053</b>                    | <b>875</b>                           | <b>(60,344)</b>                      | <b>(30,406)</b>  | <b>(14,223)</b>                | <b>-</b>             | <b>12,249</b>                           | <b>(16,796)</b>                               |
| <b>Fund Balances Beginning of Year</b>                               | <b>503,672</b>                   | <b>3,255</b>                         | <b>189,660</b>                       | <b>40,917</b>    | <b>112,745</b>                 | <b>-</b>             | <b>67,438</b>                           | <b>917,687</b>                                |
| <b>Fund Balances End of Year</b>                                     | <b>\$ 578,725</b>                | <b>\$ 4,130</b>                      | <b>\$ 129,316</b>                    | <b>\$ 10,511</b> | <b>\$ 98,522</b>               | <b>\$ -</b>          | <b>\$ 79,687</b>                        | <b>\$ 900,891</b>                             |

**Gordon County, Georgia**  
**Emergency Telephone System Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                             | <u>2014</u>              | <u>2013</u>              |
|---------------------------------------------|--------------------------|--------------------------|
| <b>Assets</b>                               |                          |                          |
| Cash and cash equivalents                   | \$ 521,371               | \$ 450,209               |
| Receivables                                 |                          |                          |
| Accounts                                    | 87,145                   | 87,236                   |
| Intergovernmental                           | <u>38,944</u>            | <u>37,725</u>            |
| <b>Total Assets</b>                         | <u><u>\$ 647,460</u></u> | <u><u>\$ 575,170</u></u> |
| <b>Liabilities and Fund Balances</b>        |                          |                          |
| <b>Liabilities</b>                          |                          |                          |
| Accounts payable                            | \$ 29,259                | \$ 35,160                |
| Accrued expenditures                        | <u>39,476</u>            | <u>36,338</u>            |
| <b>Total Liabilities</b>                    | 68,735                   | 71,498                   |
| <b>Fund Balances</b>                        |                          |                          |
| Restricted for public safety - E-911 system | <u>578,725</u>           | <u>503,672</u>           |
| <b>Total Liabilities and Fund Balances</b>  | <u><u>\$ 647,460</u></u> | <u><u>\$ 575,170</u></u> |

**Gordon County, Georgia**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                        | 2014                |                     |                   |                               | 2013              |
|----------------------------------------|---------------------|---------------------|-------------------|-------------------------------|-------------------|
|                                        | Original<br>Budget  | Final<br>Budget     | Actual            | Variance with<br>Final Budget | Actual            |
| <b>Revenues</b>                        |                     |                     |                   |                               |                   |
| Intergovernmental                      | \$ 225,000          | \$ 225,000          | \$ 269,245        | \$ 44,245                     | \$ 189,850        |
| Charges for services                   | 875,300             | 875,300             | 811,804           | (63,496)                      | 837,730           |
| Investment earnings                    | 1,000               | 1,000               | 595               | (405)                         | 951               |
| <b>Total Revenues</b>                  | <u>1,101,300</u>    | <u>1,101,300</u>    | <u>1,081,644</u>  | <u>(19,656)</u>               | <u>1,028,531</u>  |
| <b>Expenditures</b>                    |                     |                     |                   |                               |                   |
| <b>Current</b>                         |                     |                     |                   |                               |                   |
| Public safety                          |                     |                     |                   |                               |                   |
| Personal services and benefits         | 1,430,911           | 1,430,911           | 1,267,807         | 163,104                       | 1,252,234         |
| Purchased and contracted services      | 313,500             | 315,113             | 283,788           | 31,325                        | 322,276           |
| Supplies                               | 48,700              | 47,087              | 46,807            | 280                           | 23,133            |
| <b>Total Expenditures</b>              | <u>1,793,111</u>    | <u>1,793,111</u>    | <u>1,598,402</u>  | <u>194,709</u>                | <u>1,597,643</u>  |
| <b>(Deficiency) of Revenues</b>        |                     |                     |                   |                               |                   |
| <b>(Under) Expenditures</b>            | (691,811)           | (691,811)           | (516,758)         | 175,053                       | (569,112)         |
| <b>Other Financing Sources</b>         |                     |                     |                   |                               |                   |
| Transfers in                           | 591,811             | 591,811             | 591,811           | -                             | 350,000           |
| <b>Net Change in Fund Balances</b>     | <u>\$ (100,000)</u> | <u>\$ (100,000)</u> | 75,053            | <u>\$ 175,053</u>             | (219,112)         |
| <b>Fund Balances Beginning of Year</b> |                     |                     | <u>503,672</u>    |                               | <u>722,784</u>    |
| <b>Fund Balances End of Year</b>       |                     |                     | <u>\$ 578,725</u> |                               | <u>\$ 503,672</u> |

**Gordon County, Georgia**  
***Supplemental Juvenile Services Fund***  
***Comparative Balance Sheets***  
***June 30, 2014 and 2013***

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|                                             | <u>2014</u>            | <u>2013</u>            |
|---------------------------------------------|------------------------|------------------------|
| <b>Assets</b>                               |                        |                        |
| Cash and cash equivalents                   | <u>\$        4,130</u> | <u>\$        3,255</u> |
| <b>Fund Balances</b>                        |                        |                        |
| Restricted for judicial - juvenile services | <u>\$        4,130</u> | <u>\$        3,255</u> |

**Gordon County, Georgia**  
**Supplemental Juvenile Services Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                                                      | 2014               |                 |                 |                               | 2013            |
|----------------------------------------------------------------------|--------------------|-----------------|-----------------|-------------------------------|-----------------|
|                                                                      | Original<br>Budget | Final<br>Budget | Actual          | Variance with<br>Final Budget | Actual          |
| <b>Revenues</b>                                                      |                    |                 |                 |                               |                 |
| Fines and forfeitures                                                | \$ 1,000           | \$ 1,000        | \$ 870          | \$ (130)                      | \$ 1,440        |
| Investment earnings                                                  | -                  | -               | 6               | 6                             | 9               |
| <b>Total Revenues</b>                                                | <u>1,000</u>       | <u>1,000</u>    | <u>876</u>      | <u>(124)</u>                  | <u>1,449</u>    |
| <b>Expenditures</b>                                                  |                    |                 |                 |                               |                 |
| <b>Current</b>                                                       |                    |                 |                 |                               |                 |
| Judicial                                                             |                    |                 |                 |                               |                 |
| Personal services and benefits                                       | 995                | 995             | -               | 995                           | 6,196           |
| Purchased and contracted services                                    | 5                  | 5               | 1               | 4                             | 2               |
| <b>Total Expenditures</b>                                            | <u>1,000</u>       | <u>1,000</u>    | <u>1</u>        | <u>999</u>                    | <u>6,198</u>    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>\$ -</u>        | <u>\$ -</u>     | \$ 875          | <u>\$ 875</u>                 | \$ (4,749)      |
| <b>Fund Balances Beginning of Year</b>                               |                    |                 | <u>3,255</u>    |                               | <u>8,004</u>    |
| <b>Fund Balances End of Year</b>                                     |                    |                 | <u>\$ 4,130</u> |                               | <u>\$ 3,255</u> |

**Gordon County, Georgia**  
**Drug Abuse Treatment Education Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                                    | <u>2014</u>       | <u>2013</u>       |
|----------------------------------------------------|-------------------|-------------------|
| <b>Assets</b>                                      |                   |                   |
| Cash and cash equivalents                          | \$ 130,977        | \$ 194,708        |
| Intergovernmental receivables                      | <u>2,297</u>      | <u>1,111</u>      |
| <b>Total Assets</b>                                | <u>\$ 133,274</u> | <u>\$ 195,819</u> |
| <b>Liabilities and Fund Balances</b>               |                   |                   |
| <b>Liabilities</b>                                 |                   |                   |
| Accounts payable                                   | \$ 3,958          | \$ 6,159          |
| <b>Fund Balances</b>                               |                   |                   |
| Restricted for judicial - drug treatment education | <u>129,316</u>    | <u>189,660</u>    |
| <b>Total Liabilities and Fund Balances</b>         | <u>\$ 133,274</u> | <u>\$ 195,819</u> |

**Gordon County, Georgia**  
**Drug Abuse Treatment Education Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                        | 2014               |                    |                   |                               | 2013              |
|----------------------------------------|--------------------|--------------------|-------------------|-------------------------------|-------------------|
|                                        | Original<br>Budget | Final<br>Budget    | Actual            | Variance with<br>Final Budget | Actual            |
| <b>Revenues</b>                        |                    |                    |                   |                               |                   |
| Fines and forfeitures                  | \$ 53,750          | \$ 66,250          | \$ 82,540         | \$ 16,290                     | \$ 52,464         |
| Investment earnings                    | 500                | 500                | 232               | (268)                         | 455               |
| <b>Total Revenues</b>                  | <u>54,250</u>      | <u>66,750</u>      | <u>82,772</u>     | <u>16,022</u>                 | <u>52,919</u>     |
| <b>Expenditures</b>                    |                    |                    |                   |                               |                   |
| <b>Current</b>                         |                    |                    |                   |                               |                   |
| Judicial                               |                    |                    |                   |                               |                   |
| Purchased and contracted services      | 130,130            | 142,130            | 141,765           | 365                           | 144,659           |
| Supplies                               | 1,000              | 1,500              | 1,351             | 149                           | 1,351             |
| <b>Total Expenditures</b>              | <u>131,130</u>     | <u>143,630</u>     | <u>143,116</u>    | <u>514</u>                    | <u>146,010</u>    |
| <b>(Deficiency) of Revenues</b>        |                    |                    |                   |                               |                   |
| <b>(Under) Expenditures</b>            | <u>\$ (76,880)</u> | <u>\$ (76,880)</u> | <u>(60,344)</u>   | <u>16,536</u>                 | <u>(93,091)</u>   |
| <b>Fund Balances Beginning of Year</b> |                    |                    | <u>189,660</u>    |                               | <u>282,751</u>    |
| <b>Fund Balances End of Year</b>       |                    |                    | <u>\$ 129,316</u> |                               | <u>\$ 189,660</u> |

**Gordon County, Georgia**  
**Condemnation Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                                    | <u>2014</u>      | <u>2013</u>      |
|----------------------------------------------------|------------------|------------------|
| <b>Assets</b>                                      |                  |                  |
| Cash and cash equivalents                          | \$ 24,697        | \$ 59,069        |
| <b>Liabilities and Fund Balances</b>               |                  |                  |
| <b>Liabilities</b>                                 |                  |                  |
| Unearned revenues                                  | \$ 14,186        | \$ 18,152        |
| <b>Fund Balances</b>                               |                  |                  |
| Restricted for public safety - special enforcement | 10,511           | 40,917           |
| <b>Total Liabilities and Fund Balances</b>         | <u>\$ 24,697</u> | <u>\$ 59,069</u> |

**Gordon County, Georgia**  
**Condemnation Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balances - Budget and Actual*  
*For the Year Ended June 30, 2014*  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                                                      | 2014               |                 |                  |                               | 2013             |
|----------------------------------------------------------------------|--------------------|-----------------|------------------|-------------------------------|------------------|
|                                                                      | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget | Actual           |
| <b>Revenues</b>                                                      |                    |                 |                  |                               |                  |
| Fines and forfeitures                                                | \$ 110,000         | \$ 70,000       | \$ 60,966        | \$ (9,034)                    | \$ 105,690       |
| Investment earnings                                                  | 50                 | 50              | 8                | (42)                          | 15               |
| <b>Total Revenues</b>                                                | <u>110,050</u>     | <u>70,050</u>   | <u>60,974</u>    | <u>(9,076)</u>                | <u>105,705</u>   |
| <b>Expenditures</b>                                                  |                    |                 |                  |                               |                  |
| <b>Current</b>                                                       |                    |                 |                  |                               |                  |
| Public safety                                                        |                    |                 |                  |                               |                  |
| Purchased and contracted services                                    | 54,900             | 62,600          | 60,161           | 2,439                         | 43,655           |
| Supplies                                                             | 23,150             | 33,150          | 31,219           | 1,931                         | 66,051           |
| Capital outlay                                                       | -                  | -               | -                | -                             | 31,897           |
| <b>Total Expenditures</b>                                            | <u>78,050</u>      | <u>95,750</u>   | <u>91,380</u>    | <u>4,370</u>                  | <u>141,603</u>   |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>32,000</u>      | <u>(25,700)</u> | <u>(30,406)</u>  | <u>(4,706)</u>                | <u>(35,898)</u>  |
| <b>Fund Balances Beginning of Year</b>                               |                    |                 | <u>40,917</u>    |                               | <u>76,815</u>    |
| <b>Fund Balances End of Year</b>                                     |                    |                 | <u>\$ 10,511</u> |                               | <u>\$ 40,917</u> |

**Gordon County, Georgia**  
**Crime Victims Assistance Fund**  
**Comparative Balance Sheets**  
**June 30, 2014 and 2013**

|                                                    | <u>2014</u>       | <u>2013</u>       |
|----------------------------------------------------|-------------------|-------------------|
| <b>Assets</b>                                      |                   |                   |
| Cash and cash equivalents                          | \$ 99,108         | \$ 113,626        |
| Intergovernmental receivables                      | <u>2,410</u>      | <u>1,895</u>      |
| <b>Total Assets</b>                                | <u>\$ 101,518</u> | <u>\$ 115,521</u> |
| <b>Liabilities and Fund Balances</b>               |                   |                   |
| <b>Liabilities</b>                                 |                   |                   |
| Accrued expenditures                               | \$ 2,996          | \$ 2,776          |
| <b>Fund Balances</b>                               |                   |                   |
| Restricted for judicial - crime victims assistance | <u>98,522</u>     | <u>112,745</u>    |
| <b>Total Liabilities and Fund Balances</b>         | <u>\$ 101,518</u> | <u>\$ 115,521</u> |

**Gordon County, Georgia**  
**Crime Victims Assistance Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                        | 2014               |                    |                  |                               | 2013              |
|----------------------------------------|--------------------|--------------------|------------------|-------------------------------|-------------------|
|                                        | Original<br>Budget | Final<br>Budget    | Actual           | Variance with<br>Final Budget | Actual            |
| <b>Revenues</b>                        |                    |                    |                  |                               |                   |
| Fines and forfeitures                  | \$ 65,100          | \$ 65,100          | \$ 77,276        | \$ 12,176                     | \$ 74,459         |
| Investment earnings                    | 200                | 200                | 151              | (49)                          | 222               |
| <b>Total Revenues</b>                  | <u>65,300</u>      | <u>65,300</u>      | <u>77,427</u>    | <u>12,127</u>                 | <u>74,681</u>     |
| <b>Expenditures</b>                    |                    |                    |                  |                               |                   |
| <b>Current</b>                         |                    |                    |                  |                               |                   |
| Judicial                               |                    |                    |                  |                               |                   |
| Personal services and benefits         | 125,796            | 125,796            | 90,019           | 35,777                        | 96,023            |
| Purchased and contracted services      | 1,800              | 1,800              | 288              | 1,512                         | 674               |
| Supplies                               | <u>1,700</u>       | <u>1,700</u>       | <u>1,343</u>     | <u>357</u>                    | <u>1,343</u>      |
| <b>Total Expenditures</b>              | <u>129,296</u>     | <u>129,296</u>     | <u>91,650</u>    | <u>37,646</u>                 | <u>98,040</u>     |
| <b>(Deficiency) of Revenues</b>        |                    |                    |                  |                               |                   |
| <b>(Under) Expenditures</b>            | <u>\$ (63,996)</u> | <u>\$ (63,996)</u> | <u>(14,223)</u>  | <u>\$ 49,773</u>              | <u>(23,359)</u>   |
| <b>Fund Balances Beginning of Year</b> |                    |                    | <u>112,745</u>   |                               | <u>136,104</u>    |
| <b>Fund Balances End of Year</b>       |                    |                    | <u>\$ 98,522</u> |                               | <u>\$ 112,745</u> |

**Gordon County, Georgia**  
***Hotel/Motel Tax Fund***  
***Comparative Balance Sheets***  
***June 30, 2014 and 2013***

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|                              | <u>2014</u>     | <u>2013</u>     |
|------------------------------|-----------------|-----------------|
| <b>Assets</b>                |                 |                 |
| Intergovernmental receivable | <u>\$ 8,999</u> | <u>\$ 4,522</u> |
| <b>Liabilities</b>           |                 |                 |
| Accounts payable             | <u>\$ 8,999</u> | <u>\$ 4,522</u> |

**Gordon County, Georgia**  
**Hotel/Motel Tax Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balances - Budget and Actual*  
*For the Year Ended June 30, 2014*  
*(With Comparative Actual Amounts For the Year Ended June 30, 2013)*

|                                             | 2014               |                 |             |                               | 2013        |
|---------------------------------------------|--------------------|-----------------|-------------|-------------------------------|-------------|
|                                             | Original<br>Budget | Final<br>Budget | Actual      | Variance with<br>Final Budget | Actual      |
| <b>Revenues</b>                             |                    |                 |             |                               |             |
| Taxes                                       | \$ 44,500          | \$ 48,141       | \$ 48,141   | \$ -                          | \$ 25,899   |
| <b>Expenditures</b>                         |                    |                 |             |                               |             |
| <b>Current</b>                              |                    |                 |             |                               |             |
| Economic development                        |                    |                 |             |                               |             |
| Industrial Development Authority            | 11,125             | 12,035          | 12,035      | -                             | 10,360      |
| Chamber of Commerce                         | 33,375             | 36,106          | 36,106      | -                             | 15,539      |
| <b>Total Expenditures</b>                   | 44,500             | 48,141          | 48,141      | -                             | 25,899      |
| <b>Excess of Revenues Over Expenditures</b> | <u>\$ -</u>        | <u>\$ -</u>     | -           | <u>\$ -</u>                   | -           |
| <b>Fund Balances Beginning of Year</b>      |                    |                 | -           |                               | -           |
| <b>Fund Balances End of Year</b>            |                    |                 | <u>\$ -</u> |                               | <u>\$ -</u> |

**Gordon County, Georgia**  
***Jail Maintenance and Construction Fund***  
***Comparative Balance Sheets***  
***June 30, 2014 and 2013***

|                                                 | <u>2014</u>      | <u>2013</u>      |
|-------------------------------------------------|------------------|------------------|
| <b>Assets</b>                                   |                  |                  |
| Cash and cash equivalents                       | \$ 76,328        | \$ 64,911        |
| Intergovernmental receivable                    | <u>3,359</u>     | <u>2,527</u>     |
| <b>Total Assets</b>                             | <u>\$ 79,687</u> | <u>\$ 67,438</u> |
| <b>Fund Balances</b>                            |                  |                  |
| Restricted for public safety - jail maintenance | <u>\$ 79,687</u> | <u>\$ 67,438</u> |

**Gordon County, Georgia**  
**Jail Maintenance and Construction Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended June 30, 2014**  
**(With Comparative Actual Amounts For the Year Ended June 30, 2013)**

|                                                 | 2014               |                  |                  |                               | 2013              |
|-------------------------------------------------|--------------------|------------------|------------------|-------------------------------|-------------------|
|                                                 | Original<br>Budget | Final<br>Budget  | Actual           | Variance with<br>Final Budget | Actual            |
| <b>Revenues</b>                                 |                    |                  |                  |                               |                   |
| Fines and forfeitures                           | \$ 120,000         | \$ 120,000       | \$ 132,200       | \$ 12,200                     | \$ 118,639        |
| Investment earnings                             | 125                | 130              | 177              | 47                            | 159               |
| <b>Total Revenues</b>                           | <u>120,125</u>     | <u>120,130</u>   | <u>132,377</u>   | <u>12,247</u>                 | <u>118,798</u>    |
| <b>Expenditures</b>                             |                    |                  |                  |                               |                   |
| <b>Current</b>                                  |                    |                  |                  |                               |                   |
| Public safety                                   |                    |                  |                  |                               |                   |
| Purchased and contracted services               | <u>35</u>          | <u>40</u>        | <u>38</u>        | <u>2</u>                      | <u>27</u>         |
| <b>Excess of Revenues<br/>Over Expenditures</b> | <u>120,090</u>     | <u>120,090</u>   | <u>132,339</u>   | <u>12,249</u>                 | <u>118,771</u>    |
| <b>Other Financing (Uses)</b>                   |                    |                  |                  |                               |                   |
| Transfers out                                   | <u>(120,090)</u>   | <u>(120,090)</u> | <u>(120,090)</u> | <u>-</u>                      | <u>(125,000)</u>  |
| <b>Net Change in Fund Balances</b>              | <u>\$ -</u>        | <u>\$ -</u>      | <u>\$ 12,249</u> | <u>\$ 12,249</u>              | <u>\$ (6,229)</u> |
| <b>Fund Balances Beginning of Year</b>          |                    |                  | <u>67,438</u>    |                               | <u>73,667</u>     |
| <b>Fund Balances End of Year</b>                |                    |                  | <u>\$ 79,687</u> |                               | <u>\$ 67,438</u>  |

**Gordon County, Georgia**  
**Chert Fund**  
**Comparative Statements of Net Position**  
**June 30, 2014 and 2013**

|                                                       | <u>2014</u>       | <u>2013</u>       |
|-------------------------------------------------------|-------------------|-------------------|
| <b>Assets</b>                                         |                   |                   |
| <b>Current Assets</b>                                 |                   |                   |
| Cash and cash equivalents                             | \$ 182,062        | \$ 158,144        |
| <b>Noncurrent Assets</b>                              |                   |                   |
| <b>Capital Assets</b>                                 |                   |                   |
| Land                                                  | <u>80,000</u>     | <u>80,000</u>     |
| <b>Total Assets</b>                                   | <u>262,062</u>    | <u>238,144</u>    |
| <b>Liabilities</b>                                    |                   |                   |
| <b>Current Liabilities</b>                            |                   |                   |
| Accounts payable                                      | 1,352             | 5,634             |
| Accrued salaries                                      | 1,624             | 1,476             |
| Compensated absences payable                          | <u>1,723</u>      | <u>1,731</u>      |
| <b>Total Current Liabilities</b>                      | 4,699             | 8,841             |
| <b>Long-Term Liabilities</b>                          |                   |                   |
| Compensated absences payable (net of current portion) | <u>2,913</u>      | <u>2,928</u>      |
| <b>Total Liabilities</b>                              | <u>7,612</u>      | <u>11,769</u>     |
| <b>Net Position</b>                                   |                   |                   |
| Investment in capital assets                          | 80,000            | 80,000            |
| Unrestricted                                          | <u>174,450</u>    | <u>146,375</u>    |
| <b>Total Net Position</b>                             | <u>\$ 254,450</u> | <u>\$ 226,375</u> |

**Gordon County, Georgia**  
**Chert Fund**  
**Comparative Statements of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**For the Years Ended June 30, 2014 and 2013**

|                                       | <u>2014</u>       | <u>2013</u>       |
|---------------------------------------|-------------------|-------------------|
| <b>Operating Revenues</b>             |                   |                   |
| Sales                                 | \$ 81,340         | \$ 44,760         |
| Miscellaneous                         | 170               | 85                |
| <b>Total Operating Revenues</b>       | <u>81,510</u>     | <u>44,845</u>     |
| <b>Operating Expenses</b>             |                   |                   |
| Personal services and benefits        | 56,804            | 58,632            |
| Purchased and contracted services     | 16,897            | 20,353            |
| Supplies                              | 19,952            | 11,434            |
| <b>Total Operating Expenses</b>       | <u>93,653</u>     | <u>90,419</u>     |
| <b>Operating (Loss)</b>               | (12,143)          | (45,574)          |
| <b>Non-Operating Revenues</b>         |                   |                   |
| Investment earnings                   | 218               | 316               |
| <b>(Loss) Before Transfers In</b>     | (11,925)          | (45,258)          |
| <b>Transfers in</b>                   | <u>40,000</u>     | <u>15,000</u>     |
| <b>Change in Net Position</b>         | 28,075            | (30,258)          |
| <b>Net Position Beginning of Year</b> | <u>226,375</u>    | <u>256,633</u>    |
| <b>Net Position End of Year</b>       | <u>\$ 254,450</u> | <u>\$ 226,375</u> |

**Gordon County, Georgia**  
**Chert Fund**  
**Comparative Statements of Cash Flows**  
**For the Years Ended June 30, 2014 and 2013**

|                                                             | <u>2014</u>              | <u>2013</u>              |
|-------------------------------------------------------------|--------------------------|--------------------------|
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>     |                          |                          |
| <b>Cash Flows from Operating Activities</b>                 |                          |                          |
| Cash received from customers                                | \$ 81,510                | \$ 44,845                |
| Cash payments to employees for services and benefits        | (56,679)                 | (58,171)                 |
| Cash payments for goods and services                        | <u>(41,131)</u>          | <u>(26,862)</u>          |
| <b>Net Cash (Used) by Operating Activities</b>              | <u>(16,300)</u>          | <u>(40,188)</u>          |
| <b>Cash Flows from Noncapital Financing Activities</b>      |                          |                          |
| Transfers in                                                | <u>40,000</u>            | <u>15,000</u>            |
| <b>Net Cash Provided by Noncapital Financing Activities</b> | <u>40,000</u>            | <u>15,000</u>            |
| <b>Cash Flows from Investing Activities</b>                 |                          |                          |
| Investment earnings                                         | <u>218</u>               | <u>316</u>               |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b> | 23,918                   | (24,872)                 |
| <b>Cash and Cash Equivalents Beginning of Year</b>          | <u>158,144</u>           | <u>183,016</u>           |
| <b>Cash and Cash Equivalents End of Year</b>                | <u><u>\$ 182,062</u></u> | <u><u>\$ 158,144</u></u> |

(Continued)

**Gordon County, Georgia**  
**Chert Fund**  
**Comparative Statements of Cash Flows (Continued)**  
**For the Years Ended June 30, 2014 and 2013**

(Continued)

|                                                                                            | <u>2014</u>               | <u>2013</u>               |
|--------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Reconciliation of Operating (Loss) to Net Cash<br/>Provided by Operating Activities</b> |                           |                           |
| <b>Operating (Loss)</b>                                                                    | \$ (12,143)               | \$ (45,574)               |
| <b>Adjustments</b>                                                                         |                           |                           |
| <b>Increase (Decrease) in Liabilities</b>                                                  |                           |                           |
| Accounts payable                                                                           | (4,282)                   | 4,925                     |
| Accrued salaries                                                                           | 148                       | 57                        |
| Compensated absences payable                                                               | <u>(23)</u>               | <u>404</u>                |
| <b>Net Cash (Used) by Operating Activities</b>                                             | <u><u>\$ (16,300)</u></u> | <u><u>\$ (40,188)</u></u> |

**Gordon County, Georgia**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For The Year Ended June 30, 2014**

| <b>Tax Commissioner Fund</b>        | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
|-------------------------------------|---------------------------------|------------------|-------------------|------------------------------------------------------|----------------------------------|
| <b>Assets</b>                       |                                 |                  |                   |                                                      |                                  |
| Cash and cash equivalents           | \$ 816,889                      | \$ 35,601,054    | \$ 35,018,461     | \$ (139,387)                                         | \$ 1,260,095                     |
| <b>Liabilities</b>                  |                                 |                  |                   |                                                      |                                  |
| Interfund payable                   | \$ -                            | \$ 18,639,295    | \$ 18,499,908     | \$ (139,387)                                         | \$ -                             |
| Due to others                       | 816,889                         | 16,961,759       | 16,518,553        | -                                                    | 1,260,095                        |
| <b>Total Liabilities</b>            | \$ 816,889                      | \$ 35,601,054    | \$ 35,018,461     | \$ (139,387)                                         | \$ 1,260,095                     |
| <b>Clerk of Superior Court Fund</b> | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
| <b>Assets</b>                       |                                 |                  |                   |                                                      |                                  |
| Cash and cash equivalents           | \$ 909,867                      | \$ 4,860,067     | \$ 5,480,312      | \$ (73,867)                                          | \$ 215,755                       |
| <b>Liabilities</b>                  |                                 |                  |                   |                                                      |                                  |
| Interfund payable                   | \$ -                            | \$ 699,733       | \$ 625,866        | \$ (73,867)                                          | \$ -                             |
| Due to others                       | 909,867                         | 4,160,334        | 4,854,446         | -                                                    | 215,755                          |
| <b>Total Liabilities</b>            | \$ 909,867                      | \$ 4,860,067     | \$ 5,480,312      | \$ (73,867)                                          | \$ 215,755                       |
| <b>Sheriff Fund</b>                 | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
| <b>Assets</b>                       |                                 |                  |                   |                                                      |                                  |
| Cash and cash equivalents           | \$ -                            | \$ 383,667       | \$ 369,562        | \$ (14,105)                                          | \$ -                             |
| <b>Liabilities</b>                  |                                 |                  |                   |                                                      |                                  |
| Interfund payable                   | \$ -                            | \$ 139,096       | \$ 124,991        | \$ (14,105)                                          | \$ -                             |
| Due to others                       | -                               | 244,571          | 244,571           | -                                                    | -                                |
| <b>Total Liabilities</b>            | \$ -                            | \$ 383,667       | \$ 369,562        | \$ (14,105)                                          | \$ -                             |

(Continued)

**Gordon County, Georgia**  
**Combining Statement of Changes in Assets and Liabilities (Continued)**  
**Agency Funds**  
**For The Year Ended June 30, 2014**

(Continued)

| <b>Probate Court Fund</b>    | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
|------------------------------|---------------------------------|------------------|-------------------|------------------------------------------------------|----------------------------------|
| <b>Assets</b>                |                                 |                  |                   |                                                      |                                  |
| Cash and cash equivalents    | \$ 15,342                       | \$ 1,093,555     | \$ 1,034,020      | \$ (129,265)                                         | \$ (54,388)                      |
| <b>Liabilities</b>           |                                 |                  |                   |                                                      |                                  |
| Interfund payable            | \$ -                            | \$ 656,049       | \$ 526,784        | \$ (129,265)                                         | \$ -                             |
| Due to others                | 15,342                          | 437,506          | 507,236           | -                                                    | (54,388)                         |
| <b>Total Liabilities</b>     | \$ 15,342                       | \$ 1,093,555     | \$ 1,034,020      | \$ (129,265)                                         | \$ (54,388)                      |
| <b>Magistrate Court Fund</b> | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
| <b>Assets</b>                |                                 |                  |                   |                                                      |                                  |
| Cash and cash equivalents    | \$ 57,905                       | \$ 490,282       | \$ 522,241        | \$ (9,669)                                           | \$ 16,277                        |
| <b>Liabilities</b>           |                                 |                  |                   |                                                      |                                  |
| Interfund payable            | \$ -                            | \$ 150,412       | \$ 140,743        | \$ (9,669)                                           | \$ -                             |
| Due to others                | 57,905                          | 339,870          | 381,498           | -                                                    | 16,277                           |
| <b>Total Liabilities</b>     | \$ 57,905                       | \$ 490,282       | \$ 522,241        | \$ (9,669)                                           | \$ 16,277                        |
| <b>Juvenile Court Fund</b>   | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
| <b>Assets</b>                |                                 |                  |                   |                                                      |                                  |
| Cash and cash equivalents    | \$ 37,158                       | \$ 6,553         | \$ 11,818         | \$ (425)                                             | \$ 31,468                        |
| <b>Liabilities</b>           |                                 |                  |                   |                                                      |                                  |
| Interfund payable            | \$ -                            | \$ 3,430         | \$ 3,005          | \$ (425)                                             | \$ -                             |
| Due to others                | 37,158                          | 3,123            | 8,813             | -                                                    | 31,468                           |
| <b>Total Liabilities</b>     | \$ 37,158                       | \$ 6,553         | \$ 11,818         | \$ (425)                                             | \$ 31,468                        |

(Continued)

**Gordon County, Georgia**  
**Combining Statement of Changes in Assets and Liabilities (Continued)**  
**Agency Funds**  
**For The Year Ended June 30, 2014**

(Continued)

| <b>Total</b>              | <b>Balance<br/>July 1, 2013</b> | <b>Additions</b>     | <b>Deductions</b>    | <b>Reclassify<br/>Cash and<br/>Interfund Payable</b> | <b>Balance<br/>June 30, 2014</b> |
|---------------------------|---------------------------------|----------------------|----------------------|------------------------------------------------------|----------------------------------|
| <b>Assets</b>             |                                 |                      |                      |                                                      |                                  |
| Cash and cash equivalents | \$ 1,837,161                    | \$ 42,435,178        | \$ 42,436,414        | \$ (366,718)                                         | \$ 1,469,207                     |
| <b>Liabilities</b>        |                                 |                      |                      |                                                      |                                  |
| Interfund payable         | \$ -                            | \$ 20,288,015        | \$ 19,921,297        | \$ (366,718)                                         | \$ -                             |
| Due to others             | 1,837,161                       | 22,147,163           | 22,515,117           | -                                                    | 1,469,207                        |
| <b>Total Liabilities</b>  | <b>\$ 1,837,161</b>             | <b>\$ 42,435,178</b> | <b>\$ 42,436,414</b> | <b>\$ (366,718)</b>                                  | <b>\$ 1,469,207</b>              |

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**Gordon County, Georgia**  
**Introduction to Statistical Section**  
**(Unaudited)**

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This part of the Gordon County's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited.

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**Gordon County, Georgia**  
**Changes in Net Position - Governmental Activities**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

| Source                                      | Fiscal Year Ended June 30, |                     |                      |                     |                     |                     |                     |                     |                     |                     |
|---------------------------------------------|----------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                             | 2005                       | 2006                | 2007                 | 2008                | Restated<br>2009    | 2010                | 2011                | 2012                | 2013                | 2014                |
| <b>Expenses:</b>                            |                            |                     |                      |                     |                     |                     |                     |                     |                     |                     |
| General government                          | \$ 4,542,894               | \$ 4,744,242        | \$ 4,662,963         | \$ 5,173,106        | \$ 7,331,063        | \$ 5,220,427        | \$ 5,225,695        | \$ 6,208,909        | \$ 5,440,123        | \$ 5,530,582        |
| Judicial                                    | 2,285,723                  | 2,493,942           | 2,812,980            | 2,813,030           | 3,020,753           | 3,021,725           | 2,967,754           | 3,119,938           | 3,285,085           | 3,344,672           |
| Public safety                               | 10,312,187                 | 11,019,418          | 12,258,807           | 13,386,235          | 14,861,528          | 15,483,877          | 15,229,542          | 16,253,676          | 17,391,140          | 17,458,851          |
| Highways and streets                        | 6,972,106                  | 4,218,657           | 5,457,326            | 8,059,438           | 8,198,197           | 7,673,983           | 8,269,323           | 8,521,182           | 5,520,425           | 5,891,765           |
| Health and welfare                          | 709,660                    | 716,591             | 689,289              | 706,280             | 716,416             | 723,570             | 681,392             | 685,840             | 709,427             | 711,767             |
| Culture and recreation                      | 1,498,938                  | 3,438,458           | 2,481,197            | 2,186,942           | 2,449,455           | 2,304,216           | 2,207,764           | 2,269,630           | 2,878,329           | 2,843,654           |
| Conservation                                | 129,283                    | 131,268             | 133,353              | 123,565             | 182,426             | 146,036             | 148,858             | 144,141             | 146,509             | 171,407             |
| Economic development                        | 175,191                    | 174,858             | 175,547              | 153,917             | 150,051             | 180,021             | 222,027             | 426,128             | 223,180             | 306,922             |
| Planning and zoning                         | 315,914                    | 306,786             | 367,729              | 421,767             | 387,440             | 289,867             | 287,872             | 266,198             | 293,467             | 254,561             |
| Interest and fiscal charges                 | 305,903                    | 536,629             | 1,156,332            | 1,073,487           | 1,254,322           | 1,083,380           | 898,354             | 712,711             | 473,193             | 412,153             |
| <b>Total Expenses</b>                       | <b>27,247,799</b>          | <b>27,780,849</b>   | <b>30,195,523</b>    | <b>34,097,767</b>   | <b>38,551,651</b>   | <b>36,127,102</b>   | <b>36,138,581</b>   | <b>38,608,353</b>   | <b>36,360,878</b>   | <b>36,926,334</b>   |
| <b>Program Revenues:</b>                    |                            |                     |                      |                     |                     |                     |                     |                     |                     |                     |
| Charges for services:                       |                            |                     |                      |                     |                     |                     |                     |                     |                     |                     |
| Commissions                                 | 453,985                    | 461,916             | 458,816              | 452,746             | 534,153             | 526,234             | 591,675             | 651,849             | 630,084             | 676,057             |
| Court fees                                  | 274,777                    | 275,874             | 320,609              | 300,176             | 145,915             | 180,219             | 170,375             | 155,780             | 178,961             | 167,884             |
| Sheriff fees                                | 254,304                    | 334,524             | 185,566              | 219,432             | 162,459             | 449,573             | 481,958             | 500,744             | 266,069             | 258,905             |
| Fines                                       | 1,391,341                  | 1,542,063           | 1,744,704            | 1,691,282           | 1,564,061           | 1,556,192           | 1,476,689           | 1,381,965           | 1,312,725           | 1,366,011           |
| Emergency telephone fees                    | 407,404                    | 562,051             | 714,501              | 756,484             | 866,285             | 934,037             | 918,550             | 860,412             | 837,730             | 811,804             |
| Other                                       | 670,634                    | 727,048             | 865,244              | 891,610             | 983,267             | 921,932             | 946,827             | 887,121             | 928,813             | 991,069             |
| Operating grants and contributions          | 577,593                    | 863,409             | 697,609              | 425,891             | 538,413             | 454,510             | 566,648             | 553,521             | 778,453             | 1,060,351           |
| Capital grants and contributions            | 328,009                    | 954,769             | 939,220              | 702,821             | 510,000             | -                   | 3,319,274           | 525,527             | 215,507             | 454,864             |
| <b>Total Program Revenues</b>               | <b>4,358,047</b>           | <b>5,721,654</b>    | <b>5,926,269</b>     | <b>5,440,442</b>    | <b>5,304,553</b>    | <b>5,022,697</b>    | <b>8,471,996</b>    | <b>5,516,919</b>    | <b>5,148,342</b>    | <b>5,786,945</b>    |
| <b>Net (Expense) Revenue</b>                | <b>(22,889,752)</b>        | <b>(22,059,195)</b> | <b>(24,269,254)</b>  | <b>(28,657,325)</b> | <b>(33,247,098)</b> | <b>(31,104,405)</b> | <b>(27,666,585)</b> | <b>(33,091,434)</b> | <b>(31,212,536)</b> | <b>(31,139,389)</b> |
| <b>General Revenues and Transfers:</b>      |                            |                     |                      |                     |                     |                     |                     |                     |                     |                     |
| Taxes:                                      |                            |                     |                      |                     |                     |                     |                     |                     |                     |                     |
| Property                                    | 9,988,091                  | 10,558,303          | 15,589,173           | 16,494,592          | 16,714,535          | 16,835,573          | 16,250,052          | 16,130,112          | 17,226,719          | 17,391,248          |
| Sales                                       | 13,720,070                 | 15,667,401          | 15,759,482           | 16,180,586          | 14,022,711          | 13,877,792          | 13,950,131          | 14,664,616          | 14,630,460          | 14,012,506          |
| Insurance premium                           | 1,389,064                  | 1,455,697           | 1,530,684            | 1,567,994           | 1,545,511           | 1,503,121           | 1,582,218           | 1,690,309           | 1,756,805           | 1,842,195           |
| Alcohol beverage                            | 207,587                    | 220,124             | 214,256              | 216,677             | 207,146             | 200,378             | 199,491             | 190,777             | 172,167             | 170,036             |
| Real estate transfer                        | 308,127                    | 414,243             | 471,818              | 344,221             | 230,837             | 187,604             | 190,089             | 188,216             | 237,986             | 214,787             |
| Other                                       | 247,366                    | 322,220             | 287,545              | 268,098             | 292,654             | 274,612             | 267,672             | 311,143             | 384,566             | 563,664             |
| Payment in lieu of taxes                    | 44,371                     | 87,676              | 76,885               | 115,044             | 161,456             | 263,264             | 368,757             | 353,868             | 308,808             | 277,709             |
| Compensation for sale of capital assets     | 16,157                     | -                   | -                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Gain on sale of capital assets              | -                          | -                   | 7,083                | -                   | -                   | 18,365              | -                   | -                   | 110,654             | 21,468              |
| Investment earnings                         | 458,631                    | 1,105,657           | 2,245,923            | 1,521,084           | 414,706             | 81,219              | 47,319              | 36,073              | 32,913              | 27,673              |
| Miscellaneous                               | -                          | 2,455               | 3,743                | -                   | 17,028              | 11,514              | 45,706              | 57,167              | 59,814              | 57,716              |
| Transfers - net                             | 56,870                     | -                   | 125,000              | (60,000)            | (56,936)            | (86,950)            | (72,850)            | (30,000)            | 1,697,216           | 707,829             |
| <b>Total General Revenues and Transfers</b> | <b>26,436,334</b>          | <b>29,833,776</b>   | <b>36,311,592</b>    | <b>36,648,296</b>   | <b>33,549,648</b>   | <b>33,166,492</b>   | <b>32,828,585</b>   | <b>33,592,281</b>   | <b>36,618,108</b>   | <b>35,286,831</b>   |
| <b>Change in Net Position</b>               | <b>\$ 3,546,582</b>        | <b>\$ 7,774,581</b> | <b>\$ 12,042,338</b> | <b>\$ 7,990,971</b> | <b>\$ 302,550</b>   | <b>\$ 2,062,087</b> | <b>\$ 5,162,000</b> | <b>\$ 500,847</b>   | <b>\$ 5,405,572</b> | <b>\$ 4,147,442</b> |

**Gordon County, Georgia**  
**Changes in Net Position - Business-type Activities**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

| Fiscal Year Ended June 30,                  |                     |                     |                       |                       |                     |                       |                       |                       |                     |                       |
|---------------------------------------------|---------------------|---------------------|-----------------------|-----------------------|---------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|
| Source                                      | 2005                | 2006                | 2007                  | 2008                  | 2009                | 2010                  | 2011                  | 2012                  | 2013                | 2014                  |
| <b>Expenses:</b>                            |                     |                     |                       |                       |                     |                       |                       |                       |                     |                       |
| Solid waste management                      | \$2,469,620         | \$1,810,311         | \$ 3,028,466          | \$ 4,137,104          | \$(1,121,612)       | \$ 3,383,579          | \$ 1,652,794          | \$ 1,835,274          | \$(3,553,521)       | \$ 1,581,256          |
| Chert                                       | 266,708             | 306,288             | 327,144               | 232,910               | 128,238             | 80,135                | 68,155                | 94,271                | 90,419              | 93,653                |
| <b>Total Expenses</b>                       | <u>2,736,328</u>    | <u>2,116,599</u>    | <u>3,355,610</u>      | <u>4,370,014</u>      | <u>(993,374)</u>    | <u>3,463,714</u>      | <u>1,720,949</u>      | <u>1,929,545</u>      | <u>(3,463,102)</u>  | <u>1,674,909</u>      |
| <b>Program Revenues:</b>                    |                     |                     |                       |                       |                     |                       |                       |                       |                     |                       |
| Charges for services:                       |                     |                     |                       |                       |                     |                       |                       |                       |                     |                       |
| Solid waste management                      | 1,273,221           | 949,687             | 825,156               | 1,042,590             | 745,624             | 670,341               | 487,462               | 727,381               | 623,688             | 314,907               |
| Chert                                       | 244,140             | 269,985             | 259,172               | 161,764               | 97,159              | 53,575                | 41,652                | 42,794                | 44,760              | 81,340                |
| Capital grants and contributions            | 654,499             | -                   | -                     | -                     | 3,100,000           | 59,579                | -                     | -                     | 1,026,858           | -                     |
| <b>Total Program Revenues</b>               | <u>2,171,860</u>    | <u>1,219,672</u>    | <u>1,084,328</u>      | <u>1,204,354</u>      | <u>3,942,783</u>    | <u>783,495</u>        | <u>529,114</u>        | <u>770,175</u>        | <u>1,695,306</u>    | <u>396,247</u>        |
| <b>Net (Expense) Revenue</b>                | <u>(564,468)</u>    | <u>(896,927)</u>    | <u>(2,271,282)</u>    | <u>(3,165,660)</u>    | <u>4,936,157</u>    | <u>(2,680,219)</u>    | <u>(1,191,835)</u>    | <u>(1,159,370)</u>    | <u>5,158,408</u>    | <u>(1,278,662)</u>    |
| <b>General Revenues and Transfers:</b>      |                     |                     |                       |                       |                     |                       |                       |                       |                     |                       |
| Investment earnings                         | 114,240             | 199,159             | 266,278               | 237,552               | 99,827              | 21,914                | 17,385                | 13,306                | 15,794              | 11,475                |
| Miscellaneous                               | 820                 | 248                 | 6,138                 | 206                   | 144                 | 76                    | 97                    | 86                    | 85                  | 170                   |
| Transfers - net                             | (56,870)            | -                   | (125,000)             | 60,000                | 56,936              | 86,950                | 72,850                | 30,000                | (1,697,216)         | (707,829)             |
| <b>Total General Revenues and Transfers</b> | <u>58,190</u>       | <u>199,407</u>      | <u>147,416</u>        | <u>297,758</u>        | <u>156,907</u>      | <u>108,940</u>        | <u>90,332</u>         | <u>43,392</u>         | <u>(1,681,337)</u>  | <u>(696,184)</u>      |
| <b>Change in Net Position</b>               | <u>\$ (506,278)</u> | <u>\$ (697,520)</u> | <u>\$ (2,123,866)</u> | <u>\$ (2,867,902)</u> | <u>\$ 5,093,064</u> | <u>\$ (2,571,279)</u> | <u>\$ (1,101,503)</u> | <u>\$ (1,115,978)</u> | <u>\$ 3,477,071</u> | <u>\$ (1,974,846)</u> |

Note:

**Gordon County, Georgia**  
**Changes in Net Position - Total**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

| Source                                      | Fiscal Year Ended June 30, |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|---------------------------------------------|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                             | 2005                       | 2006                | 2007                | 2008                | Restated<br>2009    | 2010                | 2011                | 2012                | 2013                | 2014                |
| <b>Expenses:</b>                            |                            |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities <sup>1</sup>        | \$ 27,247,799              | \$ 27,780,849       | \$ 30,195,523       | \$ 34,097,767       | \$ 38,551,651       | \$ 36,127,102       | \$ 36,138,581       | \$ 38,608,353       | \$ 36,360,878       | \$ 36,926,334       |
| Business-type activities <sup>2</sup>       | 2,736,328                  | 2,116,599           | 3,355,610           | 4,370,014           | (993,374)           | 3,463,714           | 1,720,949           | 1,929,545           | (3,463,102)         | 1,674,909           |
| <b>Total Expenses</b>                       | <u>29,984,127</u>          | <u>29,897,448</u>   | <u>33,551,133</u>   | <u>38,467,781</u>   | <u>37,558,277</u>   | <u>39,590,816</u>   | <u>37,859,530</u>   | <u>40,537,898</u>   | <u>32,897,776</u>   | <u>38,601,243</u>   |
| <b>Program Revenues:</b>                    |                            |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities <sup>1</sup>        | 4,358,047                  | 5,721,654           | 5,926,269           | 5,440,442           | 5,304,553           | 5,022,697           | 8,471,996           | 5,516,919           | 5,148,342           | 5,786,945           |
| Business-type activities <sup>2</sup>       | 2,171,860                  | 1,219,672           | 1,084,328           | 1,204,354           | 3,942,783           | 783,495             | 529,114             | 770,175             | 1,695,306           | 396,247             |
| <b>Total Program Revenues</b>               | <u>6,529,907</u>           | <u>6,941,326</u>    | <u>7,010,597</u>    | <u>6,644,796</u>    | <u>9,247,336</u>    | <u>5,806,192</u>    | <u>9,001,110</u>    | <u>6,287,094</u>    | <u>6,843,648</u>    | <u>6,183,192</u>    |
| <b>Net (Expense) Revenue</b>                | <u>(23,454,220)</u>        | <u>(22,956,122)</u> | <u>(26,540,536)</u> | <u>(31,822,985)</u> | <u>(28,310,941)</u> | <u>(33,784,624)</u> | <u>(28,858,420)</u> | <u>(34,250,804)</u> | <u>(26,054,128)</u> | <u>(32,418,051)</u> |
| <b>General Revenues and Transfers:</b>      |                            |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities <sup>1</sup>        | 26,436,334                 | 29,833,776          | 36,311,592          | 36,648,296          | 33,549,648          | 33,166,492          | 32,828,585          | 33,592,281          | 36,618,108          | 35,286,831          |
| Business-type activities <sup>2</sup>       | 58,190                     | 199,407             | 147,416             | 297,758             | 156,907             | 108,940             | 90,332              | 43,392              | (1,681,337)         | (696,184)           |
| <b>Total General Revenues and Transfers</b> | <u>26,494,524</u>          | <u>30,033,183</u>   | <u>36,459,008</u>   | <u>36,946,054</u>   | <u>33,706,555</u>   | <u>33,275,432</u>   | <u>32,918,917</u>   | <u>33,635,673</u>   | <u>34,936,771</u>   | <u>34,590,647</u>   |
| <b>Change in Net Position</b>               | <u>\$ 3,040,304</u>        | <u>\$ 7,077,061</u> | <u>\$ 9,918,472</u> | <u>\$ 5,123,069</u> | <u>\$ 5,395,614</u> | <u>\$ (509,192)</u> | <u>\$ 4,060,497</u> | <u>\$ (615,131)</u> | <u>\$ 8,882,643</u> | <u>\$ 2,172,596</u> |

**Notes:**

<sup>1</sup>See Table-Changes in Net Position - Governmental Activities

<sup>2</sup>See Table-Changes in Net Position - Business-type Activities

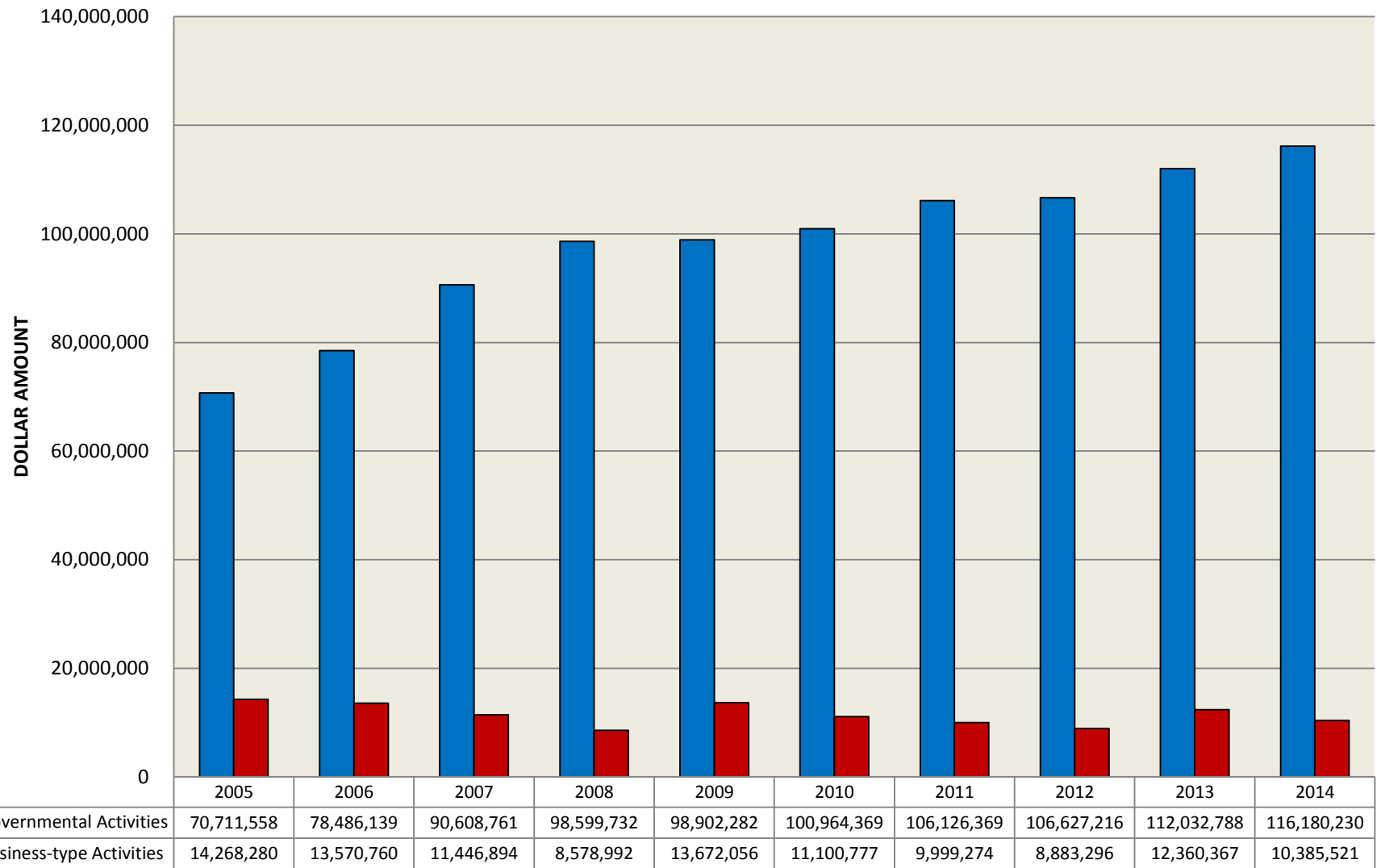
**Gordon County, Georgia**  
**Government-wide Net Position by Category<sup>1</sup>**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

|                                          | June 30, 2005        | June 30, 2006        | Restated<br>June 30, 2007 | June 30, 2008         | June 30, 2009         | June 30, 2010         | June 30, 2011         | June 30, 2012         | June 30, 2013         | June 30, 2014         |
|------------------------------------------|----------------------|----------------------|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Governmental Activities</b>           |                      |                      |                           |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets         | \$ 50,068,098        | \$ 56,780,543        | \$ 63,594,433             | \$ 67,083,089         | \$ 66,757,998         | \$ 68,200,566         | \$ 73,023,233         | \$ 75,588,186         | \$ 80,885,485         | \$ 80,829,510         |
| Restricted                               | 12,856,605           | 13,718,050           | 14,545,932                | 15,197,332            | 14,849,175            | 15,044,244            | 14,638,762            | 12,820,961            | 12,469,946            | 16,776,624            |
| Unrestricted                             | 7,786,855            | 7,987,546            | 12,468,396                | 16,319,311            | 17,295,109            | 17,719,559            | 18,464,374            | 18,218,069            | 18,677,357            | 18,574,096            |
| <b>Subtotal Governmental Activities</b>  |                      |                      |                           |                       |                       |                       |                       |                       |                       |                       |
| <b>Net Position</b>                      | <u>70,711,558</u>    | <u>78,486,139</u>    | <u>90,608,761</u>         | <u>98,599,732</u>     | <u>98,902,282</u>     | <u>100,964,369</u>    | <u>106,126,369</u>    | <u>106,627,216</u>    | <u>112,032,788</u>    | <u>116,180,230</u>    |
| <b>Business-type Activities</b>          |                      |                      |                           |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets         | 11,782,620           | 10,943,790           | 8,555,670                 | 5,332,820             | 9,240,338             | 6,472,227             | 5,159,213             | 3,705,777             | 7,431,868             | 6,104,606             |
| Unrestricted                             | 2,485,660            | 2,626,970            | 2,891,224                 | 3,246,172             | 4,431,718             | 4,628,550             | 4,840,061             | 5,177,519             | 4,928,499             | 4,280,915             |
| <b>Subtotal Business-type Activities</b> |                      |                      |                           |                       |                       |                       |                       |                       |                       |                       |
| <b>Net Position</b>                      | <u>14,268,280</u>    | <u>13,570,760</u>    | <u>11,446,894</u>         | <u>8,578,992</u>      | <u>13,672,056</u>     | <u>11,100,777</u>     | <u>9,999,274</u>      | <u>8,883,296</u>      | <u>12,360,367</u>     | <u>10,385,521</u>     |
| <b>Primary Government</b>                |                      |                      |                           |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets         | 61,850,718           | 67,724,333           | 72,150,103                | 72,415,909            | 75,998,336            | 74,672,793            | 78,182,446            | 79,293,963            | 88,317,353            | 86,934,116            |
| Restricted                               | 12,856,605           | 13,718,050           | 14,545,932                | 15,197,332            | 14,849,175            | 15,044,244            | 14,638,762            | 12,820,961            | 12,469,946            | 16,776,624            |
| Unrestricted                             | 10,272,515           | 10,614,516           | 15,359,620                | 19,565,483            | 21,726,827            | 22,348,109            | 23,304,435            | 23,395,588            | 23,605,856            | 22,855,011            |
| <b>Total Primary Governmental</b>        |                      |                      |                           |                       |                       |                       |                       |                       |                       |                       |
| <b>Net Position</b>                      | <u>\$ 84,979,838</u> | <u>\$ 92,056,899</u> | <u>\$ 102,055,655</u>     | <u>\$ 107,178,724</u> | <u>\$ 112,574,338</u> | <u>\$ 112,065,146</u> | <u>\$ 116,125,643</u> | <u>\$ 115,510,512</u> | <u>\$ 124,393,155</u> | <u>\$ 126,565,751</u> |

**Notes:**

<sup>1</sup> Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position are considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County. There are no restrictions currently reported as a result of enabling legislation.

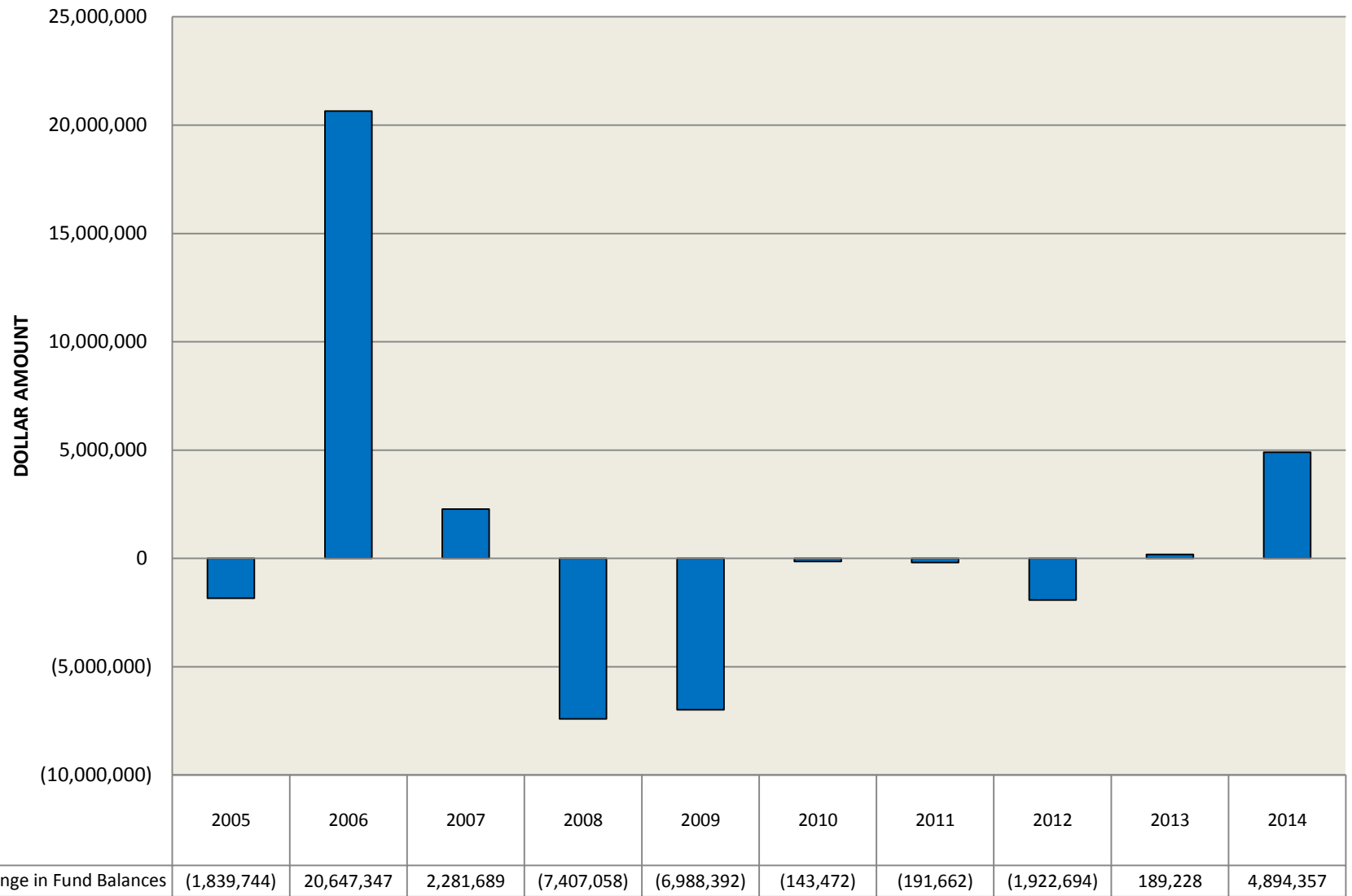
**Gordon County, Georgia**  
**Chart-Government-wide Net Position by Category**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*



**Gordon County, Georgia**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

|                                                                      | Fiscal Year Ended June 30, |                      |                      |                       |                       |                      |                      |                       |                      |                      |
|----------------------------------------------------------------------|----------------------------|----------------------|----------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|
|                                                                      | 2005                       | 2006                 | 2007                 | 2008                  | Restated<br>2009      | 2010                 | 2011                 | 2012                  | 2013                 | 2014                 |
| <b>Revenues:</b>                                                     |                            |                      |                      |                       |                       |                      |                      |                       |                      |                      |
| Taxes                                                                | \$ 25,568,571              | \$ 28,764,203        | \$ 33,492,400        | \$ 35,030,402         | \$ 32,288,505         | \$ 32,521,683        | \$ 32,291,022        | \$ 33,443,766         | \$ 34,358,747        | \$ 34,708,119        |
| Licenses and permits                                                 | 359,160                    | 335,261              | 408,700              | 327,305               | 200,563               | 154,963              | 180,410              | 161,697               | 155,182              | 219,464              |
| Intergovernmental                                                    | 928,243                    | 1,858,657            | 1,707,472            | 1,210,718             | 1,192,517             | 704,381              | 2,612,610            | 1,406,825             | 1,265,995            | 1,762,031            |
| Charges for services                                                 | 1,618,877                  | 1,993,700            | 2,092,143            | 2,128,120             | 2,144,879             | 2,507,067            | 2,578,251            | 2,544,221             | 2,338,883            | 2,256,942            |
| Fines and forfeitures                                                | 1,433,401                  | 1,542,063            | 1,753,608            | 1,691,282             | 1,564,061             | 1,556,192            | 1,476,689            | 1,381,965             | 1,312,725            | 1,366,011            |
| Investment earnings                                                  | 458,631                    | 1,105,657            | 2,245,923            | 1,521,085             | 414,706               | 81,219               | 66,292               | 49,984                | 46,754               | 44,537               |
| Contributions and donations                                          | 21,730                     | 47,197               | 6,242                | 33,038                | 17,352                | 13,393               | 1,623,097            | 12,180                | 22,932               | 14,029               |
| Miscellaneous                                                        | 41,007                     | 34,907               | 38,732               | 165,022               | 346,721               | 361,479              | 354,685              | 407,155               | 407,406              | 487,029              |
| <b>Total Revenues</b>                                                | <b>\$ 30,429,620</b>       | <b>\$ 35,681,645</b> | <b>\$ 41,745,220</b> | <b>\$ 42,106,972</b>  | <b>\$ 38,169,304</b>  | <b>\$ 37,900,377</b> | <b>\$ 41,183,056</b> | <b>\$ 39,407,793</b>  | <b>\$ 39,908,624</b> | <b>\$ 40,858,162</b> |
| <b>Expenditures:</b>                                                 |                            |                      |                      |                       |                       |                      |                      |                       |                      |                      |
| General government                                                   | 4,016,600                  | 4,114,582            | 4,452,169            | 8,589,734             | 5,806,911             | 5,021,580            | 8,167,566            | 5,697,214             | 6,919,872            | 6,391,249            |
| Judicial                                                             | 2,273,154                  | 2,446,353            | 2,751,368            | 2,753,016             | 2,984,862             | 2,953,491            | 2,907,177            | 3,053,816             | 3,211,472            | 3,242,774            |
| Public safety                                                        | 9,623,572                  | 10,570,613           | 11,434,297           | 13,574,075            | 14,092,442            | 14,165,234           | 13,829,868           | 14,445,373            | 15,692,932           | 15,984,252           |
| Highways and streets                                                 | 3,109,863                  | 3,360,857            | 2,902,711            | 2,969,361             | 3,691,977             | 3,536,938            | 2,931,294            | 3,054,273             | 2,789,440            | 2,604,310            |
| Health and welfare                                                   | 709,660                    | 716,591              | 689,289              | 706,280               | 716,416               | 723,570              | 681,392              | 685,840               | 709,427              | 711,767              |
| Culture and recreation                                               | 1,049,729                  | 1,412,841            | 1,594,946            | 1,904,228             | 1,857,356             | 1,800,752            | 1,783,370            | 1,825,327             | 1,868,238            | 1,816,975            |
| Conservation                                                         | 129,215                    | 131,209              | 132,851              | 123,050               | 182,118               | 145,070              | 143,606              | 142,349               | 144,231              | 169,193              |
| Economic development                                                 | 175,191                    | 174,858              | 175,547              | 153,917               | 150,051               | 180,021              | 222,027              | 426,128               | 223,180              | 306,922              |
| Planning and zoning                                                  | 303,373                    | 306,375              | 369,613              | 414,632               | 388,911               | 290,273              | 283,979              | 264,899               | 290,853              | 253,964              |
| Intergovernmental                                                    | -                          | -                    | -                    | -                     | 2,608,066             | 2,712,069            | 2,940,298            | 3,817,224             | 1,467,228            | 1,956,372            |
| Capital outlay                                                       | 9,376,940                  | 12,395,936           | 10,734,014           | 25,520,674            | 7,492,618             | 718,747              | 1,908,064            | 2,447,319             | 3,348,843            | 2,279,158            |
| Debt service:                                                        |                            |                      |                      |                       |                       |                      |                      |                       |                      |                      |
| Principal retirement                                                 | 2,961,551                  | 3,191,412            | 3,081,458            | 4,347,151             | 3,891,544             | 4,558,614            | 4,576,334            | 4,685,061             | 4,327,610            | 551,573              |
| Debt issuance costs                                                  | -                          | 352,758              | -                    | 364,321               | -                     | -                    | -                    | -                     | -                    | -                    |
| Interest and fiscal charges                                          | 292,695                    | 297,462              | 1,282,865            | 1,084,181             | 1,325,332             | 1,168,905            | 994,430              | 762,875               | 540,016              | 424,593              |
| <b>Total Expenditures</b>                                            | <b>34,021,543</b>          | <b>39,471,847</b>    | <b>39,601,128</b>    | <b>62,504,620</b>     | <b>45,188,604</b>     | <b>37,975,264</b>    | <b>41,369,405</b>    | <b>41,307,698</b>     | <b>41,533,342</b>    | <b>36,693,102</b>    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(3,591,923)</b>         | <b>(3,790,202)</b>   | <b>2,144,092</b>     | <b>(20,397,648)</b>   | <b>(7,019,300)</b>    | <b>(74,887)</b>      | <b>(186,349)</b>     | <b>(1,899,905)</b>    | <b>(1,624,718)</b>   | <b>4,165,060</b>     |
| <b>Other Financing Sources (Uses)</b>                                |                            |                      |                      |                       |                       |                      |                      |                       |                      |                      |
| Transfers in                                                         | 3,154,592                  | 2,691,840            | 2,641,648            | 4,407,917             | 4,476,898             | 4,094,025            | 2,404,993            | 2,000,000             | 4,162,216            | 3,640,215            |
| Transfers out                                                        | (3,123,434)                | (2,691,840)          | (2,516,648)          | (4,467,917)           | (4,533,834)           | (4,180,975)          | (2,477,843)          | (2,030,000)           | (2,465,000)          | (2,932,386)          |
| Inception of capital lease                                           | 555,000                    | 23,360,495           | -                    | 12,847,639            | -                     | -                    | -                    | -                     | -                    | -                    |
| Premium on debt issued                                               | -                          | 760,508              | -                    | 180,345               | -                     | -                    | -                    | -                     | -                    | -                    |
| Insurance proceeds                                                   | -                          | -                    | -                    | -                     | 16,944                | -                    | 41,745               | -                     | -                    | -                    |
| Sale of capital assets                                               | 4,492                      | 36,348               | 12,597               | 22,606                | 70,900                | 18,365               | 25,792               | 7,211                 | 116,730              | 21,468               |
| Inception of loan                                                    | 1,145,372                  | 280,198              | -                    | -                     | -                     | -                    | -                    | -                     | -                    | -                    |
| Compensation for loss of<br>capital assets                           | 16,157                     | -                    | -                    | -                     | -                     | -                    | -                    | -                     | -                    | -                    |
| <b>Total Other Financing<br/>Sources (Uses)</b>                      | <b>1,752,179</b>           | <b>24,437,549</b>    | <b>137,597</b>       | <b>12,990,590</b>     | <b>30,908</b>         | <b>(68,585)</b>      | <b>(5,313)</b>       | <b>(22,789)</b>       | <b>1,813,946</b>     | <b>729,297</b>       |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ (1,839,744)</b>      | <b>\$ 20,647,347</b> | <b>\$ 2,281,689</b>  | <b>\$ (7,407,058)</b> | <b>\$ (6,988,392)</b> | <b>\$ (143,472)</b>  | <b>\$ (191,662)</b>  | <b>\$ (1,922,694)</b> | <b>\$ 189,228</b>    | <b>\$ 4,894,357</b>  |
| <b>Debt Service as a % of<br/>Noncapital Expenditures</b>            | <b>11.9%</b>               | <b>12.6%</b>         | <b>14.4%</b>         | <b>15.3%</b>          | <b>13.8%</b>          | <b>15.5%</b>         | <b>15.1%</b>         | <b>14.1%</b>          | <b>13.1%</b>         | <b>2.8%</b>          |

**Gordon County, Georgia**  
**Chart-Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*



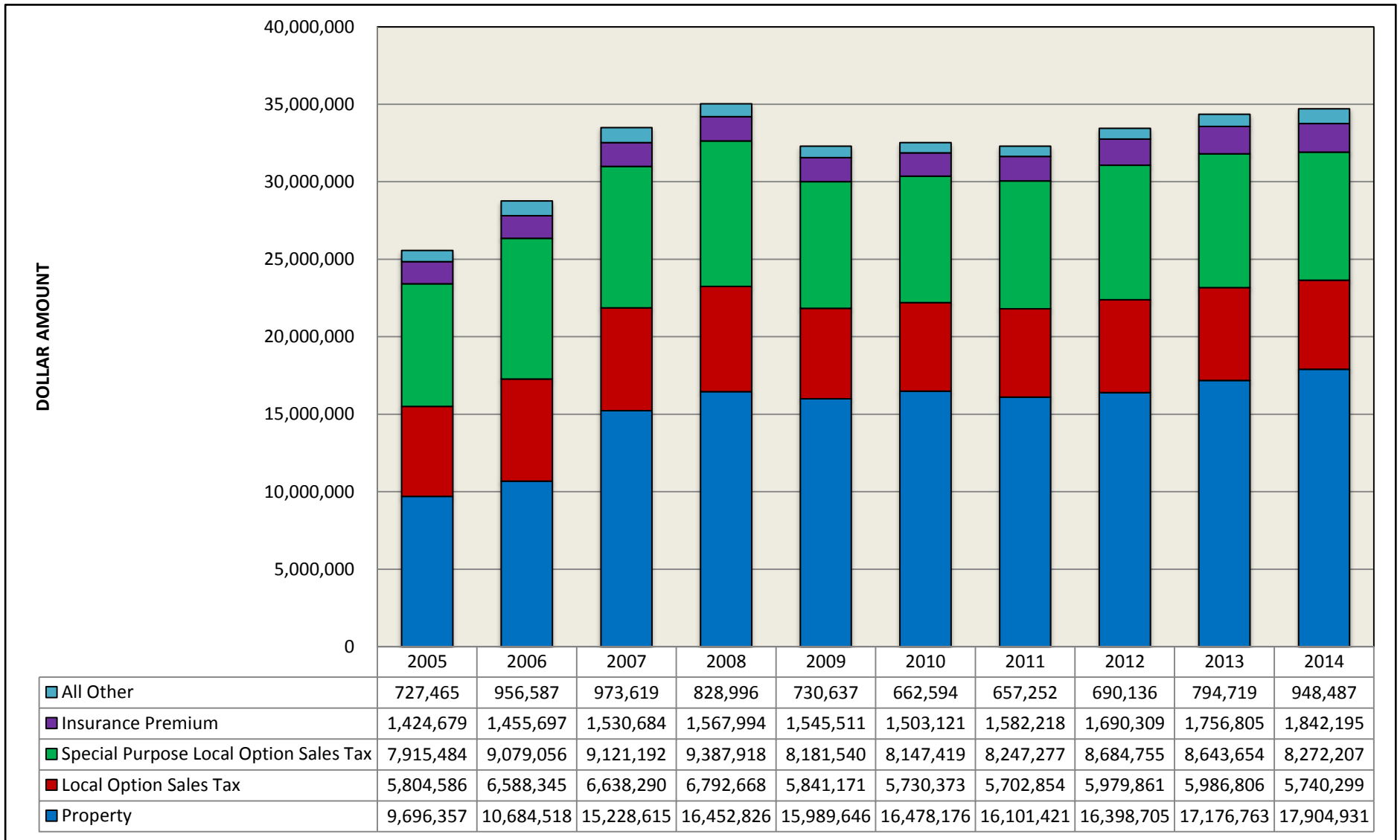
**Gordon County, Georgia**  
**Tax Revenues by Source - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

| <b>Fiscal<br/>Year</b>                           | <b>Property</b> | <b>Local<br/>Option Sales</b> | <b>Special<br/>Purpose<br/>Local<br/>Option Sales</b> | <b>Insurance<br/>Premium</b> | <b>Alcoholic<br/>Beverage</b> | <b>Real<br/>Estate<br/>Transfer</b> | <b>Other<sup>1</sup></b> | <b>Total</b>  |
|--------------------------------------------------|-----------------|-------------------------------|-------------------------------------------------------|------------------------------|-------------------------------|-------------------------------------|--------------------------|---------------|
| 2005                                             | \$ 9,696,357    | \$ 5,804,586                  | \$ 7,915,484                                          | \$ 1,424,679                 | \$ 207,587                    | \$ 308,127                          | \$ 211,751               | \$ 25,568,571 |
| 2006                                             | 10,684,518      | 6,588,345                     | 9,079,056                                             | 1,455,697                    | 220,124                       | 414,243                             | 322,220                  | 28,764,203    |
| 2007                                             | 15,228,615      | 6,638,290                     | 9,121,192                                             | 1,530,684                    | 214,256                       | 471,818                             | 287,545                  | 33,492,400    |
| 2008                                             | 16,452,826      | 6,792,668                     | 9,387,918                                             | 1,567,994                    | 216,677                       | 344,221                             | 268,098                  | 35,030,402    |
| 2009                                             | 15,989,646      | 5,841,171                     | 8,181,540                                             | 1,545,511                    | 207,146                       | 230,837                             | 292,654                  | 32,288,505    |
| 2010                                             | 16,478,176      | 5,730,373                     | 8,147,419                                             | 1,503,121                    | 200,378                       | 187,604                             | 274,612                  | 32,521,683    |
| 2011                                             | 16,101,421      | 5,702,854                     | 8,247,277                                             | 1,582,218                    | 199,491                       | 190,089                             | 267,672                  | 32,291,022    |
| 2012                                             | 16,398,705      | 5,979,861                     | 8,684,755                                             | 1,690,309                    | 190,777                       | 188,216                             | 311,143                  | 33,443,766    |
| 2013                                             | 17,176,763      | 5,986,806                     | 8,643,654                                             | 1,756,805                    | 172,167                       | 237,986                             | 384,566                  | 34,358,747    |
| 2014                                             | 17,904,931      | 5,740,299                     | 8,272,207                                             | 1,842,195                    | 170,036                       | 214,787                             | 563,664                  | 34,708,119    |
| Percentage Change<br>In Dollars Over<br>10 Years | <u>84.7%</u>    | <u>-1.1%</u>                  | <u>4.5%</u>                                           | <u>29.3%</u>                 | <u>-18.1%</u>                 | <u>-30.3%</u>                       | <u>166.2%</u>            | <u>35.7%</u>  |

**Notes:**

<sup>1</sup> Includes financial institution business taxes, energy excise taxes, franchise taxes and hotel/motel taxes.

**Gordon County, Georgia**  
**Chart-Tax Revenues by Source - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*



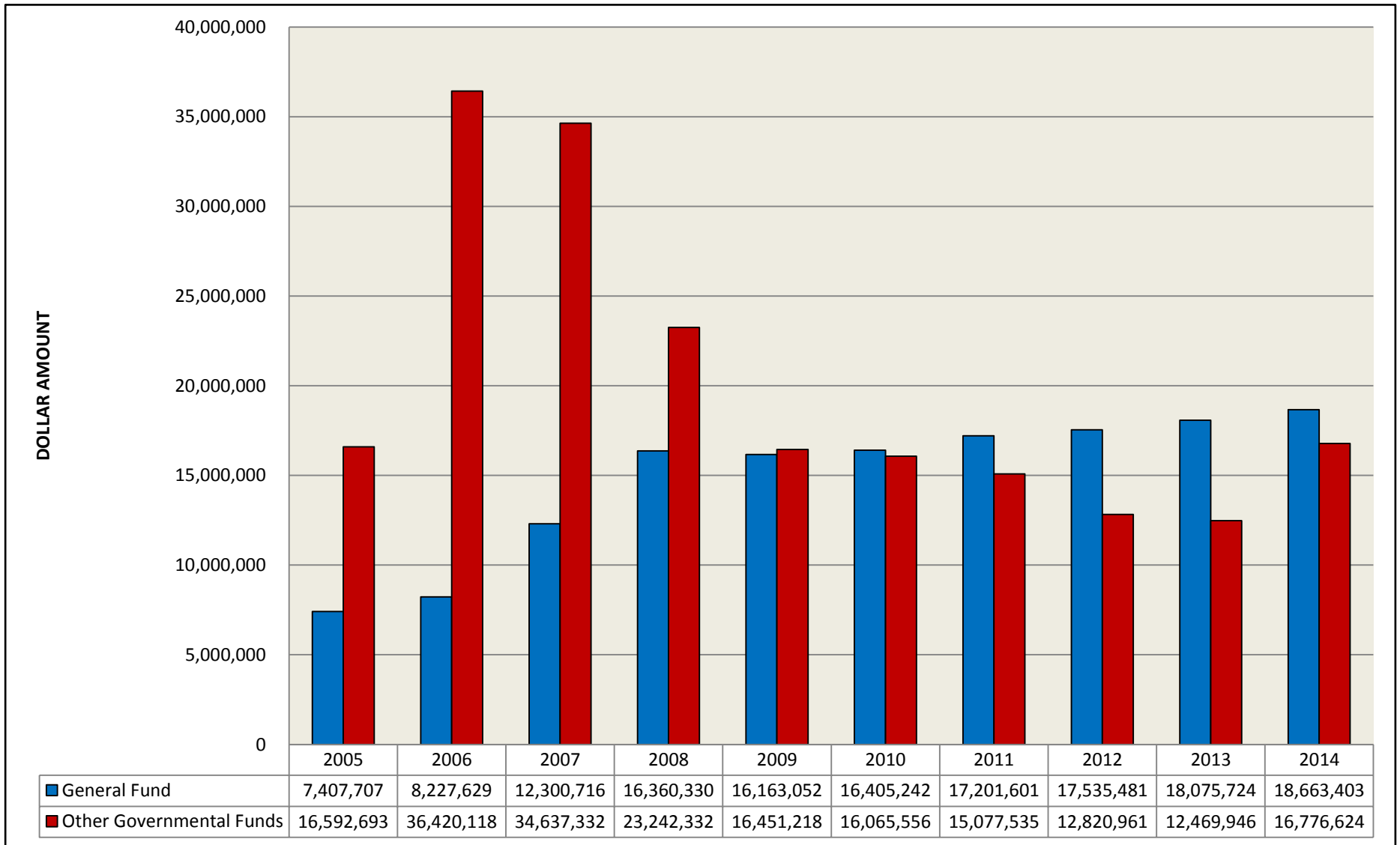
**Gordon County, Georgia**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

|                                                 | Restated             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|-------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                                 | June 30,             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|                                                 | 2005                 | 2006 <sup>1</sup>    | 2007                 | 2008                 | 2009                 | 2010                 | 2011                 | 2012                 | 2013                 | 2014                 |
| <b>General Fund</b>                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable                                    | \$ 237,254           | \$ 234,258           | \$ 280,356           | \$ 331,008           | \$ 228,185           | \$ 298,407           | \$ 333,204           | \$ 325,048           | \$ 362,937           | \$ 355,239           |
| Committed                                       | -                    | -                    | -                    | 1,000,484            | 1,014,267            | 1,016,957            | 1,018,773            | 1,018,773            | 1,018,773            | 1,018,773            |
| Assigned                                        | 610,637              | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Unassigned                                      | 6,559,816            | 7,993,371            | 12,020,360           | 15,028,838           | 14,920,600           | 15,089,878           | 15,849,624           | 16,191,660           | 16,694,014           | 17,289,391           |
| <b>Subtotal General Fund</b>                    | <b>7,407,707</b>     | <b>8,227,629</b>     | <b>12,300,716</b>    | <b>16,360,330</b>    | <b>16,163,052</b>    | <b>16,405,242</b>    | <b>17,201,601</b>    | <b>17,535,481</b>    | <b>18,075,724</b>    | <b>18,663,403</b>    |
| <b>General Fund Percentage Change</b>           | <b>-1.2%</b>         | <b>11.1%</b>         | <b>49.5%</b>         | <b>33.0%</b>         | <b>-1.2%</b>         | <b>1.5%</b>          | <b>4.9%</b>          | <b>1.9%</b>          | <b>3.1%</b>          | <b>3.3%</b>          |
| <b>All Other Governmental Funds</b>             |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable:                                   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Special Revenue Funds                           | -                    | -                    | 11,243               | 11,243               | 11,243               | 11,243               | 11,243               | -                    | -                    | -                    |
| Restricted:                                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Special Revenue Funds                           | 1,564,660            | 1,821,781            | 2,005,950            | 2,328,843            | 2,528,129            | 3,059,046            | 3,336,760            | 3,092,699            | 2,644,804            | 2,877,941            |
| Capital Projects Fund                           | 15,003,566           | 34,598,337           | 32,620,139           | 20,902,246           | 13,911,846           | 12,995,267           | 11,729,532           | 9,728,262            | 9,825,142            | 13,898,683           |
| Assigned                                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Special Revenue Funds                           | 24,467               | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Capital Projects Fund                           | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| <b>Subtotal All Other Governmental Funds</b>    | <b>16,592,693</b>    | <b>36,420,118</b>    | <b>34,637,332</b>    | <b>23,242,332</b>    | <b>16,451,218</b>    | <b>16,065,556</b>    | <b>15,077,535</b>    | <b>12,820,961</b>    | <b>12,469,946</b>    | <b>16,776,624</b>    |
| <b>Total Governmental Funds</b>                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Nonspendable                                    | 237,254              | 234,258              | 291,599              | 342,251              | 239,428              | 309,650              | 344,447              | 325,048              | 362,937              | 355,239              |
| Restricted                                      | 16,568,226           | 36,420,118           | 34,626,089           | 23,231,089           | 16,439,975           | 16,054,313           | 15,066,292           | 12,820,961           | 12,469,946           | 16,776,624           |
| Committed                                       | -                    | -                    | -                    | 1,000,484            | 1,014,267            | 1,016,957            | 1,018,773            | 1,018,773            | 1,018,773            | 1,018,773            |
| Assigned                                        | 635,104              | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Unassigned                                      | 6,559,816            | 7,993,371            | 12,020,360           | 15,028,838           | 14,920,600           | 15,089,878           | 15,849,624           | 16,191,660           | 16,694,014           | 17,289,391           |
| <b>Total Governmental Funds</b>                 | <b>\$ 24,000,400</b> | <b>\$ 44,647,747</b> | <b>\$ 46,938,048</b> | <b>\$ 39,602,662</b> | <b>\$ 32,614,270</b> | <b>\$ 32,470,798</b> | <b>\$ 32,279,136</b> | <b>\$ 30,356,442</b> | <b>\$ 30,545,670</b> | <b>\$ 35,440,027</b> |
| <b>All Governmental Funds Percentage Change</b> | <b>-7.1%</b>         | <b>86.0%</b>         | <b>5.1%</b>          | <b>-15.6%</b>        | <b>-17.6%</b>        | <b>-0.4%</b>         | <b>-0.6%</b>         | <b>-6.0%</b>         | <b>0.6%</b>          | <b>16.0%</b>         |

**Notes:**

<sup>1</sup> Gordon County entered into a \$22,305,000 certificate of participation agreement for the purpose of constructing a new judicial complex and fire station.

**Gordon County, Georgia**  
**Chart-Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*



**Gordon County, Georgia**  
**Taxable Assessed Value and Estimated Actual Value of Property**  
**Last Ten Fiscal Years**

| Amounts                   |                      |                     |                     |                       |                           |                  |                                 |                |                           |                                           |                                    |                        |                          |
|---------------------------|----------------------|---------------------|---------------------|-----------------------|---------------------------|------------------|---------------------------------|----------------|---------------------------|-------------------------------------------|------------------------------------|------------------------|--------------------------|
| Fiscal Year               | Residential Property | Commercial Property | Industrial Property | Agricultural Property | Conservation Use Property | Utility Property | Motor Vehicles and Mobile Homes | Other Property | Less: Tax Exempt Property | Total Taxable Assessed Value <sup>1</sup> | Total Direct Tax Rate <sup>2</sup> | Estimated Actual Value | Annual Percentage Change |
| 2005                      | \$526,124,675        | \$222,444,202       | \$ 285,162,625      | \$92,387,199          | \$ 94,195,480             | \$35,462,615     | \$ 125,339,691                  | \$ 7,877,870   | \$ 102,332,858            | \$ 1,286,661,499                          | 7.570                              | \$ 3,216,653,748       | 4.4%                     |
| 2006                      | 557,104,104          | 245,473,587         | 302,716,558         | 110,084,917           | 99,782,243                | 31,834,311       | 132,977,332                     | 7,370,507      | 135,961,314               | 1,351,382,245                             | 7.570                              | 3,378,455,613          | 5.0%                     |
| 2007                      | 593,292,072          | 282,099,758         | 319,730,482         | 116,568,870           | 106,909,971               | 34,565,238       | 126,230,411                     | 7,410,965      | 136,839,066               | 1,449,968,701                             | 10.671                             | 3,624,921,753          | 7.3%                     |
| 2008                      | 663,497,362          | 350,392,522         | 341,796,467         | 130,083,834           | 144,436,458               | 33,840,118       | 131,895,052                     | 7,648,249      | 198,608,024               | 1,604,982,038                             | 10.174                             | 4,012,455,095          | 10.7%                    |
| 2009                      | 690,766,748          | 385,645,458         | 440,818,077         | 129,683,324           | 153,641,019               | 36,873,153       | 135,972,834                     | 7,878,685      | 212,834,755               | 1,768,444,543                             | 9.528                              | 4,421,111,358          | 10.2%                    |
| 2010                      | 826,895,768          | 405,765,045         | 402,251,234         | 177,960,314           | 215,132,430               | 36,929,021       | 142,776,960                     | 11,389,874     | 274,128,832               | 1,944,971,814                             | 8.815                              | 4,862,429,535          | 10.0%                    |
| 2011                      | 798,685,172          | 424,946,353         | 332,079,493         | 167,104,713           | 221,040,162               | 36,919,005       | 126,788,530                     | 11,673,669     | 272,489,971               | 1,846,747,126                             | 8.919                              | 4,616,867,815          | -5.1%                    |
| 2012                      | 665,618,977          | 415,044,941         | 304,937,927         | 133,682,959           | 159,497,587               | 43,182,304       | 125,180,424                     | 10,705,153     | 218,110,298               | 1,639,739,974                             | 9.800                              | 4,099,349,935          | -11.2%                   |
| 2013                      | 664,220,497          | 430,460,004         | 304,357,706         | 136,418,429           | 157,837,410               | 41,514,485       | 126,780,023                     | 8,048,631      | 216,322,653               | 1,653,314,532                             | 9.800                              | 4,133,286,330          | 0.8%                     |
| 2014                      | 659,398,568          | 301,769,799         | 442,888,304         | 136,484,277           | 157,448,514               | 42,773,279       | 131,857,248                     | 8,429,092      | 220,026,503               | 1,661,022,578                             | 9.800                              | 4,152,556,445          | 0.5%                     |
| % Increase Over Ten Years | 25%                  | 36%                 | 55%                 | 48%                   | 67%                       | 21%              | 5%                              | 7%             | 115%                      | 29%                                       |                                    | 29%                    |                          |
| Percentages of Total      |                      |                     |                     |                       |                           |                  |                                 |                |                           |                                           |                                    |                        |                          |
| 2005                      | 37.9%                | 16.0%               | 20.5%               | 6.7%                  | 6.8%                      | 2.6%             | 9.0%                            | 0.6%           | 8.0%                      | 92.0%                                     |                                    |                        |                          |
| 2006                      | 37.5%                | 16.5%               | 20.4%               | 7.4%                  | 6.7%                      | 2.1%             | 8.9%                            | 0.5%           | 10.1%                     | 89.9%                                     |                                    |                        |                          |
| 2007                      | 37.4%                | 17.8%               | 20.1%               | 7.3%                  | 6.7%                      | 2.2%             | 8.0%                            | 0.5%           | 9.4%                      | 90.6%                                     |                                    |                        |                          |
| 2008                      | 36.8%                | 19.4%               | 19.0%               | 7.2%                  | 8.0%                      | 1.9%             | 7.3%                            | 0.4%           | 12.4%                     | 87.6%                                     |                                    |                        |                          |
| 2009                      | 34.9%                | 19.5%               | 22.2%               | 6.5%                  | 7.8%                      | 1.9%             | 6.9%                            | 0.4%           | 12.0%                     | 88.0%                                     |                                    |                        |                          |
| 2010                      | 37.3%                | 18.3%               | 18.1%               | 8.0%                  | 9.7%                      | 1.7%             | 6.4%                            | 0.5%           | 14.1%                     | 85.9%                                     |                                    |                        |                          |
| 2011                      | 37.7%                | 20.1%               | 15.7%               | 7.9%                  | 10.4%                     | 1.7%             | 6.0%                            | 0.6%           | 14.8%                     | 85.2%                                     |                                    |                        |                          |
| 2012                      | 35.8%                | 22.3%               | 16.4%               | 7.2%                  | 8.6%                      | 2.3%             | 6.7%                            | 0.6%           | 13.3%                     | 86.7%                                     |                                    |                        |                          |
| 2013                      | 35.5%                | 23.0%               | 16.3%               | 7.3%                  | 8.4%                      | 2.2%             | 6.8%                            | 0.4%           | 13.1%                     | 86.9%                                     |                                    |                        |                          |
| 2014                      | 35.1%                | 16.0%               | 23.5%               | 7.3%                  | 8.4%                      | 2.3%             | 7.0%                            | 0.4%           | 13.2%                     | 86.8%                                     |                                    |                        |                          |

**Source:**

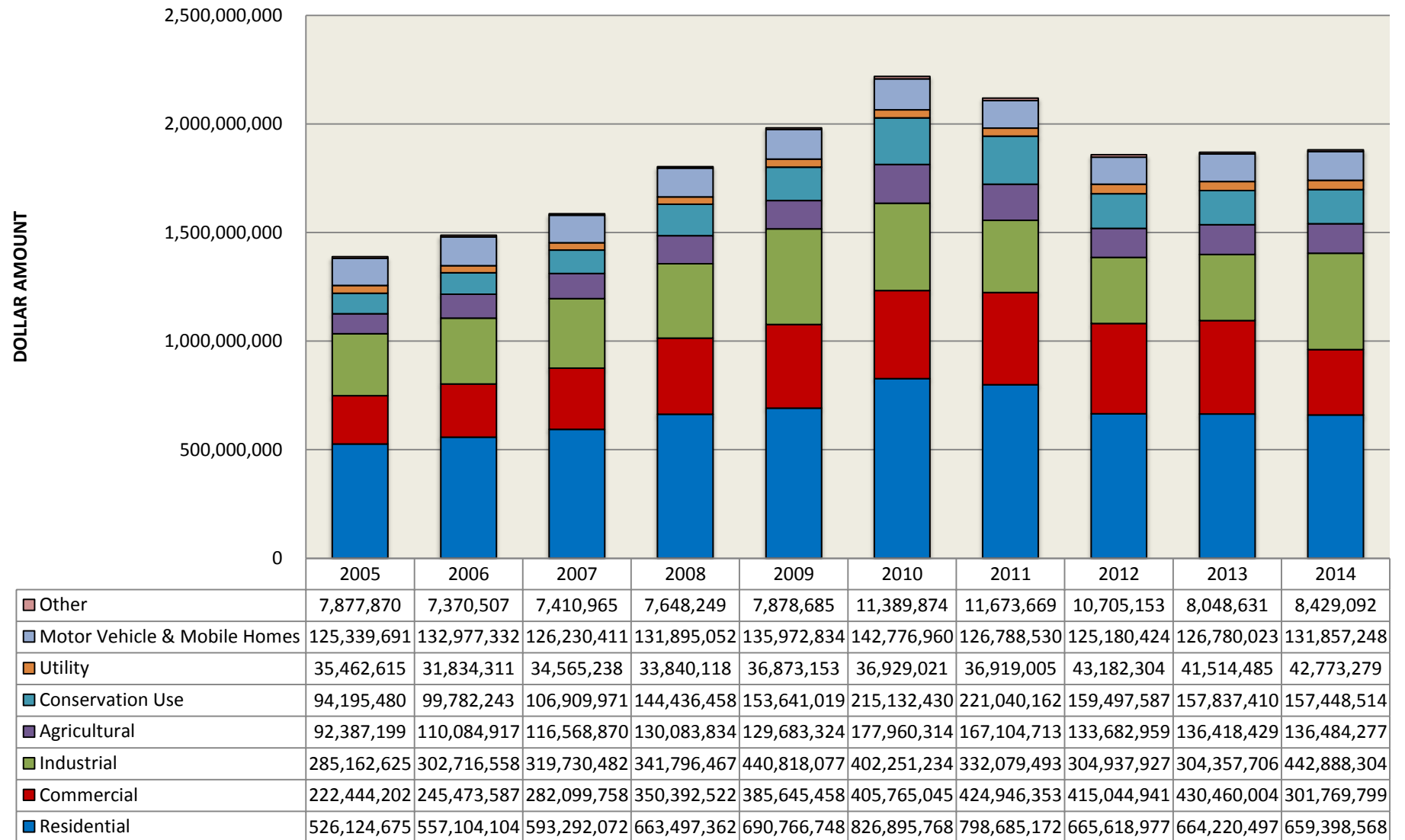
<sup>1</sup> Georgia Department of Revenue, Tax Digest Consolidation Summary

**Notes:**

<sup>1</sup> All property is assessed at 40% of fair market value.

<sup>2</sup> Tax rates expressed in rate per \$1,000.

**Gordon County, Georgia**  
**Chart-Taxable Assessed Value - Before Tax Exempt Property**  
**Last Ten Fiscal Years**



**Gordon County, Georgia**  
**Direct, Overlapping and Underlying Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$1,000 of assessed taxable value)*

| <b>Fiscal<br/>Year</b> | <b><u>Direct</u></b>          | <b><u>Overlapping</u></b>                       | <b><u>Underlying Rates</u></b> <sup>1</sup> |                                                                |                                        |                                          |                                             |
|------------------------|-------------------------------|-------------------------------------------------|---------------------------------------------|----------------------------------------------------------------|----------------------------------------|------------------------------------------|---------------------------------------------|
|                        | <b><u>County<br/>Rate</u></b> | <b><u>State of<br/>Georgia</u></b> <sup>2</sup> | <b><u>City<br/>of<br/>Calhoun</u></b>       | <b><u>City<br/>of<br/>Calhoun<br/>Schools</u></b> <sup>3</sup> | <b><u>City<br/>of<br/>Fairmont</u></b> | <b><u>City<br/>of<br/>Plainville</u></b> | <b><u>Gordon<br/>County<br/>Schools</u></b> |
| 2005                   | 7.570                         | 0.250                                           | 1.500                                       | 14.950                                                         | 5.880                                  | 6.940                                    | 16.580                                      |
| 2006                   | 7.570                         | 0.250                                           | 1.750                                       | 13.660                                                         | 5.880                                  | 6.940                                    | 16.580                                      |
| 2007                   | 10.671                        | 0.250                                           | 1.670                                       | 14.580                                                         | 5.880                                  | 6.940                                    | 16.302                                      |
| 2008                   | 10.174                        | 0.250                                           | 1.615                                       | 14.080                                                         | 5.880                                  | 6.940                                    | 16.302                                      |
| 2009                   | 9.528                         | 0.250                                           | 1.615                                       | 14.080                                                         | 5.880                                  | 6.940                                    | 17.500                                      |
| 2010                   | 8.815                         | 0.250                                           | 1.591                                       | 13.865                                                         | 5.093                                  | 6.940                                    | 15.266                                      |
| 2011                   | 8.919                         | 0.250                                           | 1.591                                       | 13.865                                                         | 5.000                                  | 5.500                                    | 15.611                                      |
| 2012                   | 9.800                         | 0.250                                           | 1.591                                       | 16.012                                                         | 5.000                                  | 5.500                                    | 19.228                                      |
| 2013                   | 9.800                         | 0.200                                           | 1.980                                       | 17.762                                                         | 5.000                                  | 5.500                                    | 19.309                                      |
| 2014                   | 9.800                         | 0.150                                           | 1.980                                       | 17.813                                                         | 6.000                                  | 5.500                                    | 19.406                                      |

**Source:**

<sup>1</sup> Georgia Department of Revenue, Property Tax Division

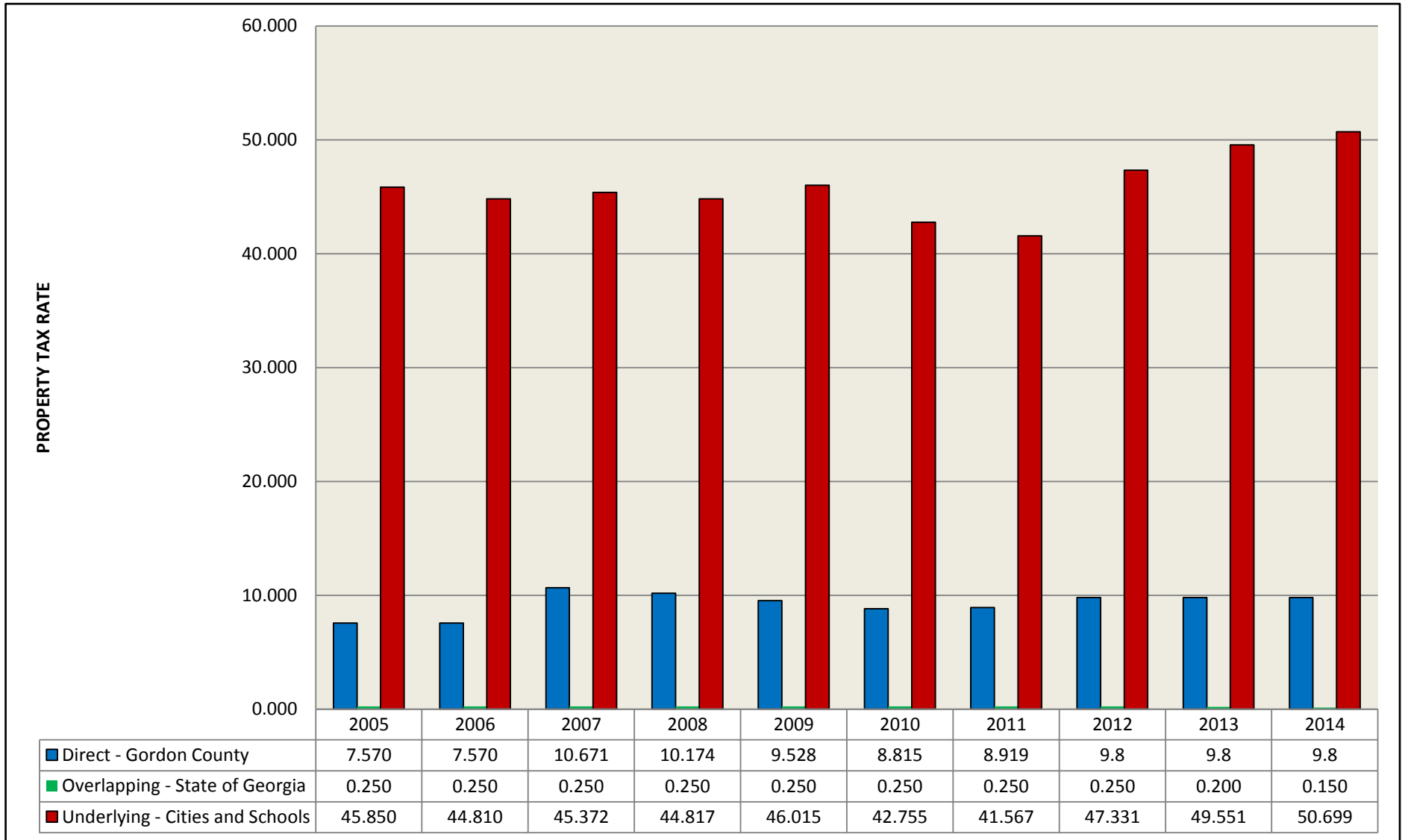
**Notes:**

<sup>1</sup> Underlying rates are those of the City of Calhoun, City of Calhoun Schools, City of Fairmount, City of Plainville, and the Gordon County Schools that apply to property owners within Gordon County.

<sup>2</sup> The State of Georgia levies one quarter of one mill on each county's taxable property to help finance their certification of each Georgia County's tax digests.

<sup>3</sup> The City of Calhoun levies the property taxes for the City school system.

**Gordon County, Georgia**  
**Chart-Direct, Overlapping and Underlying Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$1,000 of assessed taxable value)*



**Gordon County, Georgia**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(cash basis of accounting)**

| Fiscal<br>Year<br>Ended<br>June 30, | Taxes Levied<br>for the<br>Fiscal Year | Collected Within the<br>Fiscal Year of the Levy |                       | Collections<br>in Subsequent<br>Years | Total Collections to Date |                       | Total<br>Uncollected Taxes |                       |
|-------------------------------------|----------------------------------------|-------------------------------------------------|-----------------------|---------------------------------------|---------------------------|-----------------------|----------------------------|-----------------------|
|                                     |                                        | Amount                                          | Percentage<br>of Levy |                                       | Amount                    | Percentage<br>of Levy | Amount                     | Percentage<br>of Levy |
| 2005                                | 9,740,028                              | 9,146,860                                       | 93.91%                | 574,724                               | 9,721,584                 | 99.81%                | 18,444                     | 0.19%                 |
| 2006                                | 10,229,964                             | 9,440,250                                       | 92.28%                | 761,365                               | 10,201,615                | 99.72%                | 28,349                     | 0.28%                 |
| 2007                                | 15,472,616                             | 13,971,873                                      | 90.30%                | 1,442,284                             | 15,414,157                | 99.62%                | 58,459                     | 0.38%                 |
| 2008                                | 16,329,087                             | 14,620,762                                      | 89.54%                | 1,582,586                             | 16,203,348                | 99.23%                | 125,739                    | 0.77%                 |
| 2009                                | 16,849,740                             | 14,430,613                                      | 85.64%                | 2,282,133                             | 16,712,746                | 99.19%                | 136,994                    | 0.81%                 |
| 2010                                | 17,144,927                             | 14,667,995                                      | 85.55%                | 2,275,281                             | 16,943,276                | 98.82%                | 201,651                    | 1.18%                 |
| 2011                                | 16,471,138                             | 14,441,595                                      | 87.68%                | 1,794,674                             | 16,236,269                | 98.57%                | 234,869                    | 1.43%                 |
| 2012                                | 16,069,452                             | 14,453,635                                      | 89.94%                | 1,317,197                             | 15,770,832                | 98.14%                | 298,620                    | 1.86%                 |
| 2013                                | 16,202,482                             | 14,576,729                                      | 89.97%                | 1,216,424                             | 15,793,153                | 97.47%                | 409,329                    | 2.53%                 |
| 2014                                | 16,278,022                             | 14,596,527                                      | 89.67%                | -                                     | 14,596,527                | 89.67%                | 1,681,495                  | 10.33%                |

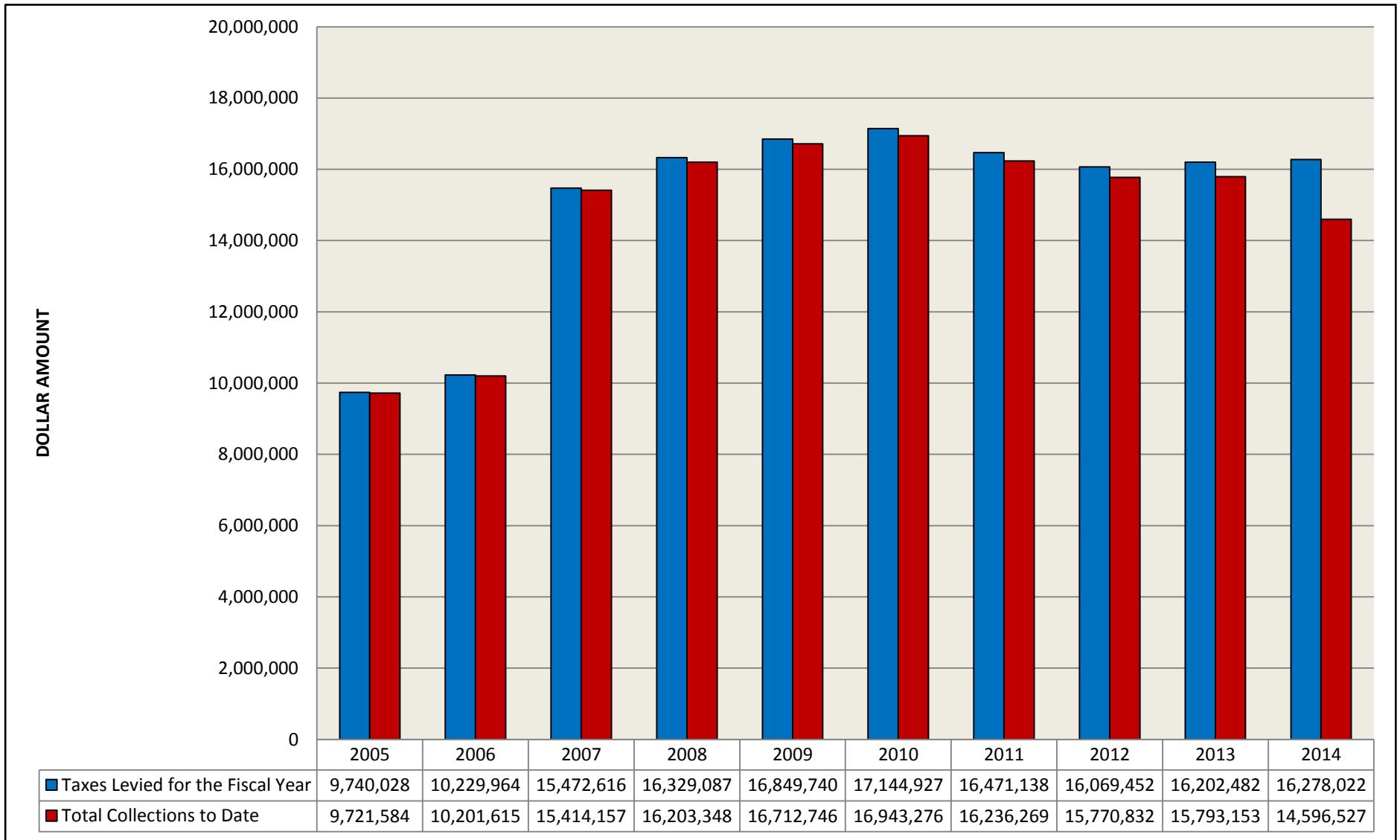
**Source:**

Gordon County Tax Commissioner's Office.

**Note:**

<sup>1</sup> The amounts reported in the uncollected taxes column are cumulative totals for all tax levies as of the end of each fiscal year.

**Gordon County, Georgia**  
**Chart-Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
*(cash basis of accounting)*



**Gordon County, Georgia**  
**Principal Property Taxpayers**  
**Fiscal Years Ended June 30, 2014 and 2005**

| 2014                       |                        |      |                                            | 2005                           |                        |      |                                            |
|----------------------------|------------------------|------|--------------------------------------------|--------------------------------|------------------------|------|--------------------------------------------|
| Principal Taxpayer         | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Principal Taxpayer             | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Shaw Industries Group Inc  | \$ 68,455,641          | 1    | 5.29%                                      | Shaw Industries Group Inc      | \$ 38,696,647          | 1    | 3.01%                                      |
| Aladdin Manufacturing Corp | 44,330,188             | 2    | 3.42%                                      | Aladdin Manufacturing Corp     | 34,755,880             | 2    | 2.70%                                      |
| Mohawk Industries          | 37,528,926             | 3    | 2.90%                                      | Mannington Carpets             | 19,373,929             | 3    | 1.51%                                      |
| Engineered Floors LLC      | 32,152,117             | 4    | 2.48%                                      | Kobelco Construction           | 15,016,302             | 4    | 1.17%                                      |
| Kobelco Construction       | 28,786,806             | 5    | 2.22%                                      | Mohawk Industries - ARC Plants | 12,450,420             | 5    | 0.97%                                      |
| Springbank LLC             | 14,573,150             | 6    | 1.13%                                      | Mohawk Home                    | 9,335,501              | 6    | 0.73%                                      |
| Mannington Commercial      | 14,121,519             | 7    | 1.09%                                      | Mohawk Industries              | 9,248,716              | 7    | 0.72%                                      |
| Fieldturf USA              | 11,665,019             | 8    | 0.90%                                      | Pine Hall Brick Inc            | 8,865,429              | 8    | 0.69%                                      |
| North Georgia EMC          | 11,047,204             | 9    | 0.85%                                      | Springbank LLC                 | 8,199,768              | 9    | 0.64%                                      |
| Faus Group Inc             | 10,080,185             | 10   | 0.78%                                      | North Georgia EMC              | 7,070,273              | 10   | 0.55%                                      |
| Total Principal Taxpayers  | 272,740,755            |      | 21.06%                                     |                                | 163,012,865            |      | 12.67%                                     |
| All Other Taxpayers        | 1,022,412,899          |      | 78.94%                                     |                                | 1,123,648,634          |      | 87.33%                                     |
| Total                      | \$ 1,295,153,654       |      | 100.00%                                    |                                | \$ 1,286,661,499       |      | 100.00%                                    |

**Source:**

Gordon County Tax Commissioner's Office

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**Gordon County, Georgia**  
**Direct, Overlapping and Underlying Sales Tax Rates**  
**Last Ten Fiscal Years**

| Fiscal<br>Year | Direct<br>Gordon County |                           | Overlapping<br>State of<br>Georgia | Underlying<br>Gordon County<br>Schools <sup>2</sup> | Total<br>Direct, Overlapping<br>and Underlying Rate |
|----------------|-------------------------|---------------------------|------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
|                | LOST                    | SPLOST <sup>1&amp;3</sup> |                                    |                                                     |                                                     |
| 2005           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2006           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2007           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2008           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2009           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2010           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2011           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2012           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2013           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |
| 2014           | 1.00%                   | 1.00%                     | 4.00%                              | 1.00%                                               | 7.00%                                               |

**Source:**

<sup>1</sup> Georgia Department of Revenue, Sales and Use Tax Division.

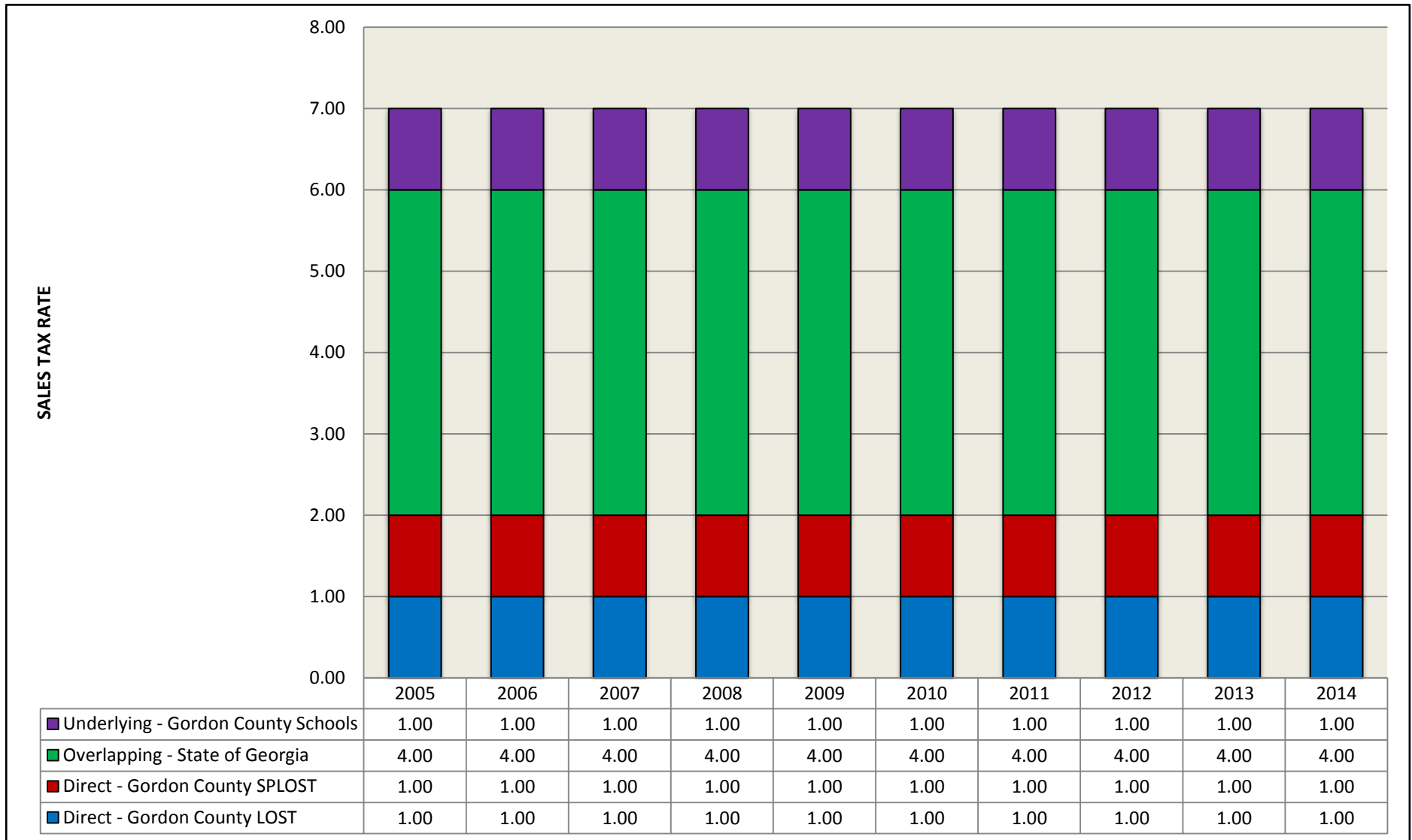
**Notes:**

<sup>1</sup> The previous two special purpose local option sales taxes was approved effective April 1, 2001 and expired March 31, 2006 and approved effective April 1, 2006 and expired March 31, 2012.

<sup>2</sup>Effective January 1, 2004, the Gordon County Board of Education began levying a 1% education special purpose sales tax. The current tax was approved effective July 1, 2012 and expires June 30, 2017.

<sup>3</sup> The current special purpose local option sales tax was approved effective April 1, 2012 and expires March 31, 2018.

**Gordon County, Georgia**  
**Chart-Direct, Overlapping and Underlying Sales Tax Rates**  
**Last Ten Fiscal Years**



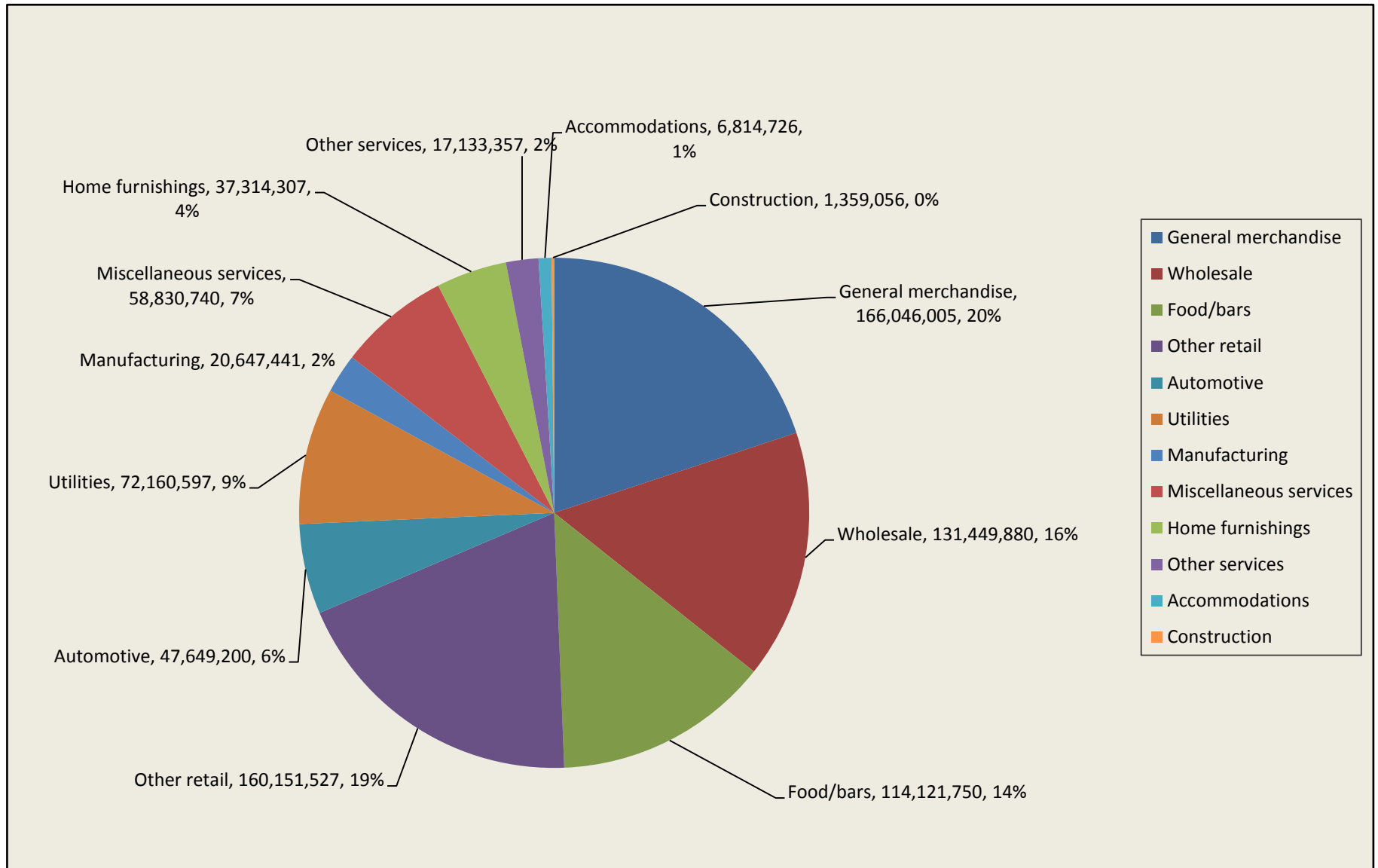
**Gordon County, Georgia**  
**Taxable Sales by Category**  
**Calendar Year**

|                                     | 2004                  |                | 2005                  |                | 2006                  |                | 2007                   |                | 2008                  |                | 2009                    |                | 2010                  |                | 2011                  |                | 2012                  |                | 2013                   |                |
|-------------------------------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|------------------------|----------------|-----------------------|----------------|-------------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|------------------------|----------------|
|                                     | Amount                | Percent        | Amount                | Percent        | Amount                | Percent        | Amount                 | Percent        | Amount                | Percent        | Amount                  | Percent        | Amount                | Percent        | Amount                | Percent        | Amount                | Percent        | Amount                 | Percent        |
| <b>Category:</b>                    |                       |                |                       |                |                       |                |                        |                |                       |                |                         |                |                       |                |                       |                |                       |                |                        |                |
| NAICS codes                         |                       |                |                       |                |                       |                |                        |                |                       |                |                         |                |                       |                |                       |                |                       |                |                        |                |
| General merchandise                 |                       |                |                       |                |                       |                |                        |                |                       |                | \$ 165,009,085          | 20.23%         | \$ 159,810,958        | 19.21%         | \$ 150,726,327        | 17.96%         | \$ 162,152,035        | 18.39%         | \$ 166,046,005         | 19.92%         |
| Wholesale                           |                       |                |                       |                |                       |                |                        |                |                       |                | 74,397,977              | 9.12%          | 134,101,103           | 16.13%         | 120,551,365           | 14.36%         | 124,424,295           | 14.12%         | 131,449,880            | 15.77%         |
| Food/bars                           |                       |                |                       |                |                       |                |                        |                |                       |                | 114,968,896             | 14.09%         | 109,287,805           | 13.14%         | 106,969,981           | 12.75%         | 105,678,640           | 11.98%         | 114,121,750            | 13.69%         |
| Other retail                        |                       |                |                       |                |                       |                |                        |                |                       |                | 85,951,003              | 10.54%         | 98,120,054            | 11.80%         | 158,443,411           | 18.88%         | 161,778,163           | 18.35%         | 160,151,527            | 19.21%         |
| Automotive                          |                       |                |                       |                |                       |                |                        |                |                       |                | 61,769,180              | 7.57%          | 82,437,277            | 9.91%          | 107,167,095           | 12.77%         | 108,687,062           | 12.33%         | 47,649,200             | 5.72%          |
| Utilities                           |                       |                |                       |                |                       |                |                        |                |                       |                | 89,024,099              | 10.91%         | 70,070,380            | 8.43%          | 53,701,051            | 6.40%          | 56,216,313            | 6.37%          | 72,160,597             | 8.66%          |
| Manufacturing                       |                       |                |                       |                |                       |                |                        |                |                       |                | 106,428,249             | 13.05%         | 61,702,722            | 7.42%          | 30,915,366            | 3.68%          | 41,003,958            | 4.65%          | 20,647,441             | 2.48%          |
| Miscellaneous services              |                       |                |                       |                |                       |                |                        |                |                       |                | 46,749,549              | 5.73%          | 55,350,997            | 6.66%          | 51,320,508            | 6.12%          | 51,969,154            | 5.89%          | 58,830,740             | 7.06%          |
| Home furnishings                    |                       |                |                       |                |                       |                |                        |                |                       |                | 51,269,676              | 6.28%          | 38,867,124            | 4.67%          | 31,769,995            | 3.79%          | 35,136,136            | 3.98%          | 37,314,307             | 4.48%          |
| Other services                      |                       |                |                       |                |                       |                |                        |                |                       |                | 10,967,548              | 1.34%          | 13,940,083            | 1.68%          | 19,996,879            | 2.38%          | 27,587,821            | 3.13%          | 17,133,357             | 2.05%          |
| Accommodations                      |                       |                |                       |                |                       |                |                        |                |                       |                | 8,134,834               | 1.00%          | 6,637,362             | 0.80%          | 6,168,429             | 0.73%          | 6,287,902             | 0.71%          | 6,814,726              | 0.81%          |
| Construction                        |                       |                |                       |                |                       |                |                        |                |                       |                | 1,157,038               | 0.14%          | 1,228,360             | 0.15%          | 1,523,562             | 0.18%          | 905,255               | 0.10%          | 1,359,056              | 0.15%          |
| SIC codes                           |                       |                |                       |                |                       |                |                        |                |                       |                |                         |                |                       |                |                       |                |                       |                |                        |                |
| Food                                | \$ 202,336,294        | 26.84%         | \$ 229,479,330        | 28.09%         | \$ 263,668,725        | 28.24%         | \$ 266,367,180         | 28.87%         | \$ 248,033,221        | 26.46%         |                         |                |                       |                |                       |                |                       |                |                        |                |
| General                             | 127,184,616           | 16.86%         | 119,028,388           | 14.57%         | 130,658,021           | 13.99%         | 133,137,354            | 14.43%         | 128,337,853           | 13.69%         |                         |                |                       |                |                       |                |                       |                |                        |                |
| Automotive                          | 105,727,771           | 14.01%         | 103,784,171           | 12.70%         | 125,588,081           | 13.45%         | 127,872,364            | 13.86%         | 181,476,183           | 19.36%         |                         |                |                       |                |                       |                |                       |                |                        |                |
| Utilities                           | 81,059,723            | 10.74%         | 85,379,904            | 10.45%         | 102,568,352           | 10.98%         | 101,143,479            | 10.96%         | 104,754,382           | 11.18%         |                         |                |                       |                |                       |                |                       |                |                        |                |
| Home                                | 49,214,233            | 6.52%          | 56,428,268            | 6.91%          | 72,328,857            | 7.75%          | 71,209,452             | 7.72%          | 56,555,421            | 6.03%          |                         |                |                       |                |                       |                |                       |                |                        |                |
| Lumber                              | 60,901,578            | 8.07%          | 77,460,636            | 9.48%          | 68,947,268            | 7.38%          | 61,643,192             | 6.68%          | 36,407,673            | 3.88%          |                         |                |                       |                |                       |                |                       |                |                        |                |
| Miscellaneous                       | 41,742,067            | 5.53%          | 49,635,004            | 6.07%          | 54,119,166            | 5.80%          | 48,488,363             | 5.25%          | 49,024,559            | 5.24%          |                         |                |                       |                |                       |                |                       |                |                        |                |
| Apparel                             | 29,374,697            | 3.89%          | 39,012,999            | 4.77%          | 41,906,426            | 4.49%          | 41,698,856             | 4.52%          | 44,186,632            | 4.71%          |                         |                |                       |                |                       |                |                       |                |                        |                |
| Manufacturing                       | 25,800,415            | 3.42%          | 25,187,736            | 3.08%          | 37,578,602            | 4.02%          | 34,536,234             | 3.74%          | 37,229,008            | 3.97%          |                         |                |                       |                |                       |                |                       |                |                        |                |
| Miscellaneous                       | 31,061,956            | 4.12%          | 31,738,678            | 3.88%          | 36,392,180            | 3.90%          | 36,628,897             | 3.97%          | 51,318,460            | 5.48%          |                         |                |                       |                |                       |                |                       |                |                        |                |
| <b>Total</b>                        | <b>\$ 754,403,350</b> | <b>100.00%</b> | <b>\$ 817,135,114</b> | <b>100.00%</b> | <b>\$ 933,755,678</b> | <b>100.00%</b> | <b>\$ 922,725,371</b>  | <b>100.00%</b> | <b>\$ 937,323,392</b> | <b>100.00%</b> | <b>\$ 815,827,134</b>   | <b>100.00%</b> | <b>\$ 831,554,225</b> | <b>100.00%</b> | <b>\$ 839,253,969</b> | <b>100.00%</b> | <b>\$ 881,826,734</b> | <b>100.00%</b> | <b>\$ 833,678,586</b>  | <b>100.00%</b> |
| Dollar increase from previous year  |                       |                | <u>\$ 62,731,764</u>  |                | <u>\$ 116,620,564</u> |                | <u>\$ (11,030,307)</u> |                | <u>\$ 14,598,021</u>  |                | <u>\$ (121,496,258)</u> |                | <u>\$ 15,727,091</u>  |                | <u>\$ 7,699,744</u>   |                | <u>\$ 42,572,765</u>  |                | <u>\$ (48,148,148)</u> |                |
| Percent increase from previous year |                       |                | <u>8.32%</u>          |                | <u>14.27%</u>         |                | <u>-1.18%</u>          |                | <u>1.58%</u>          |                | <u>-12.96%</u>          |                | <u>1.93%</u>          |                | <u>0.93%</u>          |                | <u>5.07%</u>          |                | <u>-5.46%</u>          |                |

**Source:** Georgia Department of Revenue

**Note:** Beginning in calendar year 2009, the Georgia Department of Revenue changed their classifications of sales.

**Gordon County, Georgia**  
**Chart-Taxable Sales by Category**  
**Calendar Year - 2013**



**Gordon County, Georgia**  
*Ratios of Total Debt Outstanding by Type*  
*Last Ten Fiscal Years*

| Fiscal<br>Year | Governmental<br>Activities |                  |                    | Percentage<br>of Personal<br>Income | Population | Total Debt<br>Per<br>Capita |
|----------------|----------------------------|------------------|--------------------|-------------------------------------|------------|-----------------------------|
|                | Capital<br>Leases          | Notes<br>Payable | Total <sup>3</sup> |                                     |            |                             |
| 2005           | 6,848,049                  | 1,145,372        | 7,993,421          | 0.62%                               | 50,602     | <sup>1</sup> 158            |
| 2006           | 27,017,131                 | -                | 27,017,131         | 2.02%                               | 52,161     | <sup>1</sup> 518            |
| 2007           | 23,935,673                 | -                | 23,935,673         | 1.71%                               | 53,409     | <sup>1</sup> 448            |
| 2008           | 32,436,161                 | -                | 32,436,161         | 2.22%                               | 54,567     | <sup>1</sup> 594            |
| 2009           | 28,544,617                 | -                | 28,544,617         | 2.01%                               | 54,945     | <sup>1</sup> 520            |
| 2010           | 23,986,004                 | -                | 23,986,004         | 1.69%                               | 55,186     | <sup>1</sup> 435            |
| 2011           | 19,409,670                 | -                | 19,409,670         | 1.29%                               | 55,621     | <sup>1</sup> 349            |
| 2012           | 14,532,116                 | -                | 14,532,116         | 0.91%                               | 55,766     | <sup>1</sup> 261            |
| 2013           | 10,337,228                 | -                | 10,337,228         | 0.67%                               | 55,757     | <sup>1</sup> 185            |
| 2014           | 9,776,749                  | -                | 9,776,749          | 0.60%                               | 55,902     | <sup>2</sup> 175            |

**Sources:**

<sup>1</sup> U.S. Census Bureau

<sup>2</sup> Trend analysis

**Note:**

<sup>3</sup> Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

**Gordon County, Georgia**  
**Direct and Overlapping Debt**  
*June 30, 2014*

| <u>Governmental Unit</u>                               | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable <sup>4</sup></u> | <u>Estimated<br/>Share of<br/>Overlapping<br/>Debt</u> |
|--------------------------------------------------------|-----------------------------|-------------------------------------------------------------|--------------------------------------------------------|
| <b>Debt Repaid With Property Taxes and Sales Taxes</b> |                             |                                                             |                                                        |
| <b>Overlapping Debt <sup>3</sup></b>                   |                             |                                                             |                                                        |
| Gordon County Board of Education <sup>1</sup>          |                             | 100.0%                                                      | \$ 18,735,000                                          |
| City of Calhoun <sup>2</sup>                           |                             | 100.0%                                                      | 34,947,500                                             |
| <b>Total Overlapping Debt</b>                          |                             |                                                             | <u>53,682,500</u>                                      |
| <b>County Direct Debt</b>                              |                             |                                                             |                                                        |
| Debt repaid with property taxes                        |                             | 100.0%                                                      | <u>9,776,749</u>                                       |
| <b>Total County Direct Debt</b>                        |                             |                                                             | <u>9,776,749</u>                                       |
| <b>Total Direct and Overlapping Debt</b>               |                             |                                                             | <u><u>\$ 63,459,249</u></u>                            |

**Sources:**

<sup>1</sup> Gordon County Board of Education

<sup>2</sup> City of Calhoun

**Notes:**

<sup>3</sup> Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County.

<sup>4</sup> For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the County's boundaries and dividing it by each unit's total assessed value.

**Gordon County, Georgia**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

|                                                                | 2005                    | 2006                    | 2007                    | 2008                    | 2009                    | 2010                    | 2011                    | 2012                    | 2013                    | 2014                    |
|----------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Assessed Value-Bond Digest</b>                              | <u>\$ 1,388,994,357</u> | <u>\$ 1,487,343,559</u> | <u>\$ 1,586,807,767</u> | <u>\$ 1,803,590,062</u> | <u>\$ 1,981,279,298</u> | <u>\$ 2,219,100,646</u> | <u>\$ 2,119,237,097</u> | <u>\$ 1,857,850,272</u> | <u>\$ 1,869,637,185</u> | <u>\$ 1,881,049,081</u> |
| <b>Legal Debt Margin</b>                                       |                         |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| Debt limit (10% of assessed value)                             | <u>\$ 138,899,436</u>   | <u>\$ 148,734,356</u>   | <u>\$ 158,680,777</u>   | <u>\$ 180,359,006</u>   | <u>\$ 198,127,930</u>   | <u>\$ 221,910,065</u>   | <u>\$ 211,923,710</u>   | <u>\$ 185,785,027</u>   | <u>\$ 186,963,719</u>   | <u>\$ 188,104,908</u>   |
| Debt applicable to limit:                                      |                         |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| General obligation bonds                                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       |
| Less: Amount reserved for repayment of general obligation debt | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                |
| Total debt applicable to limit                                 | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                |
| Legal debt margin                                              | <u>\$ 138,899,436</u>   | <u>\$ 148,734,356</u>   | <u>\$ 158,680,777</u>   | <u>\$ 180,359,006</u>   | <u>\$ 198,127,930</u>   | <u>\$ 221,910,065</u>   | <u>\$ 211,923,710</u>   | <u>\$ 185,785,027</u>   | <u>\$ 186,963,719</u>   | <u>\$ 188,104,908</u>   |
| As a percentage of debt limit                                  | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          | <u>100.00%</u>          |

**Note:**

<sup>1</sup> Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the County's outstanding general obligation debt should not exceed 10% of the assessed valuation of taxable property within the County.

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**Gordon County, Georgia**  
**Demographic and Economic Statistics**  
**Last Ten Years**

| <b>Year</b> | <b>Population</b> |              | <i>(thousands<br/>of dollars)</i><br><b>Personal<br/>Income</b> |              | <b>Per<br/>Capita<br/>Income</b> |              | <b>Median<br/>Age</b> |              | <b>School<br/>Enrollment</b> |              | <b>Unemployment<br/>Rate</b> |                |
|-------------|-------------------|--------------|-----------------------------------------------------------------|--------------|----------------------------------|--------------|-----------------------|--------------|------------------------------|--------------|------------------------------|----------------|
| 2005        | 50,602            | <sup>1</sup> | 1,285,711                                                       | <sup>2</sup> | 25,408                           | <sup>2</sup> | 34.3                  | <sup>1</sup> | 6,645                        | <sup>3</sup> | 5.4%                         | <sup>4</sup>   |
| 2006        | 52,161            | <sup>1</sup> | 1,336,761                                                       | <sup>2</sup> | 25,628                           | <sup>2</sup> | 34.6                  | <sup>1</sup> | 6,829                        | <sup>3</sup> | 4.7%                         | <sup>4</sup>   |
| 2007        | 53,409            | <sup>1</sup> | 1,400,809                                                       | <sup>2</sup> | 26,228                           | <sup>2</sup> | 34.8                  | <sup>1</sup> | 6,815                        | <sup>3</sup> | 4.4%                         | <sup>4</sup>   |
| 2008        | 54,567            | <sup>1</sup> | 1,459,503                                                       | <sup>2</sup> | 26,747                           | <sup>2</sup> | 35.0                  | <sup>1</sup> | 6,870                        | <sup>3</sup> | 6.8%                         | <sup>4</sup>   |
| 2009        | 54,945            | <sup>1</sup> | 1,419,678                                                       | <sup>2</sup> | 25,838                           | <sup>2</sup> | 34.6                  | <sup>1</sup> | 7,012                        | <sup>3</sup> | 13.6%                        | <sup>4-6</sup> |
| 2010        | 55,186            | <sup>1</sup> | 1,415,787                                                       | <sup>2</sup> | 25,650                           | <sup>2</sup> | 35.4                  | <sup>1</sup> | 6,815                        | <sup>3</sup> | 12.6%                        | <sup>4</sup>   |
| 2011        | 55,621            | <sup>1</sup> | 1,503,261                                                       | <sup>2</sup> | 27,092                           | <sup>2</sup> | 35.5                  | <sup>1</sup> | 6,924                        | <sup>3</sup> | 11.7%                        | <sup>4</sup>   |
| 2012        | 55,766            | <sup>1</sup> | 1,598,019                                                       | <sup>2</sup> | 28,656                           | <sup>2</sup> | 35.7                  | <sup>1</sup> | 6,974                        | <sup>3</sup> | 10.9%                        | <sup>4</sup>   |
| 2013        | 55,757            | <sup>1</sup> | 1,554,171                                                       | <sup>5</sup> | 27,874                           | <sup>5</sup> | 35.9                  | <sup>1</sup> | 6,810                        | <sup>3</sup> | 10.2%                        | <sup>4</sup>   |
| 2014        | 55,902            | <sup>5</sup> | 1,618,698                                                       | <sup>5</sup> | 28,956                           | <sup>5</sup> | 36.0                  | <sup>5</sup> | 6,860                        | <sup>3</sup> | 8.5%                         | <sup>4</sup>   |

**Sources:**

<sup>1</sup> U.S. Census Bureau

<sup>2</sup> U.S. Department of Commerce-Bureau of Economic Analysis

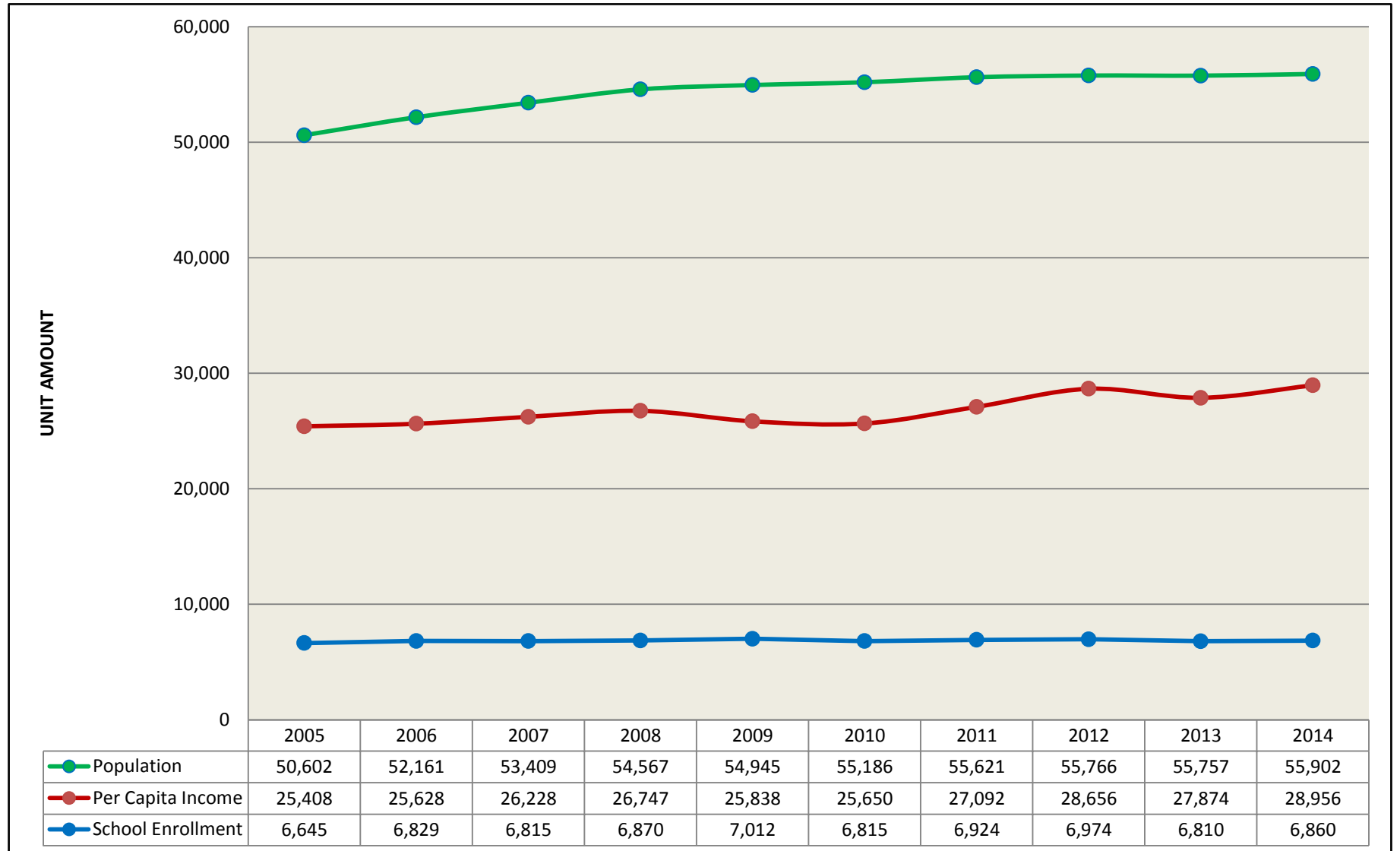
<sup>3</sup> Gordon County Board of Education

<sup>4</sup> Georgia Department of Labor

<sup>5</sup> Trend analysis

<sup>6</sup> This major increase relates to the nationwide recession.

**Gordon County, Georgia**  
**Chart-Population, Per Capita Income and School Enrollment**  
*Last Ten Years*



**Gordon County, Georgia**  
**Principal Employers**  
*For the Fiscal Years Ended June 30, 2014 and 2005*

| <u>Employer</u>                  | 2014                       |             |                                              | <u>Employer</u>                  | 2005                       |             |                                              |
|----------------------------------|----------------------------|-------------|----------------------------------------------|----------------------------------|----------------------------|-------------|----------------------------------------------|
|                                  | <u>Number of Employees</u> | <u>Rank</u> | <u>Percentage of Total County Employment</u> |                                  | <u>Number of Employees</u> | <u>Rank</u> | <u>Percentage of Total County Employment</u> |
| Mohawk Industries                | 1,900                      | 1           | 7.58%                                        | Mohawk Industries                | 4,000                      | 1           | 14.90%                                       |
| Shaw Industries                  | 1,374                      | 2           | 5.48%                                        | Shaw Industries                  | 1,498                      | 2           | 5.58%                                        |
| Gordon County Schools            | 925                        | 3           | 3.69%                                        | Gordon County Schools            | 985                        | 3           | 3.67%                                        |
| Gordon Hospital                  | 780                        | 4           | 3.11%                                        | Gordon Hospital                  | 600                        | 4           | 2.23%                                        |
| Mannington                       | 667                        | 5           | 2.66%                                        | Mannington                       | 592                        | 5           | 2.20%                                        |
| Engineered Floors, LLC           | 650                        | 6           | 2.59%                                        | Calhoun City Schools             | 415                        | 6           | 1.55%                                        |
| Apache Mills                     | 425                        | 7           | 1.69%                                        | Spring Industries                | 398                        | 7           | 1.48%                                        |
| Gordon County Government         | 407                        | 8           | 1.62%                                        | Beaulieu Group                   | 336                        | 8           | 1.25%                                        |
| Calhoun City Schools             | 389                        | 9           | 1.55%                                        | Gordon County Government         | 335                        | 9           | 1.25%                                        |
| Beaulieu Group                   | 313                        | 10          | 1.25%                                        | Calhoun City Government          | 325                        | 10          | 1.21%                                        |
| <b>Total Principal Employers</b> | 7,830                      |             | 31.22%                                       | <b>Total Principal Employers</b> | 9,484                      |             | 35.32%                                       |
| <b>Other Employers</b>           | 17,249                     |             | 68.78%                                       | <b>Other Employers</b>           | 17,369                     |             | 64.68%                                       |
| <b>Total Employment</b>          | 25,079                     |             | 100.00%                                      | <b>Total Employment</b>          | 26,853                     |             | 100.00%                                      |

**Sources:**

<sup>1</sup> Gordon County Chamber of Commerce

<sup>2</sup> Georgia Department of Labor

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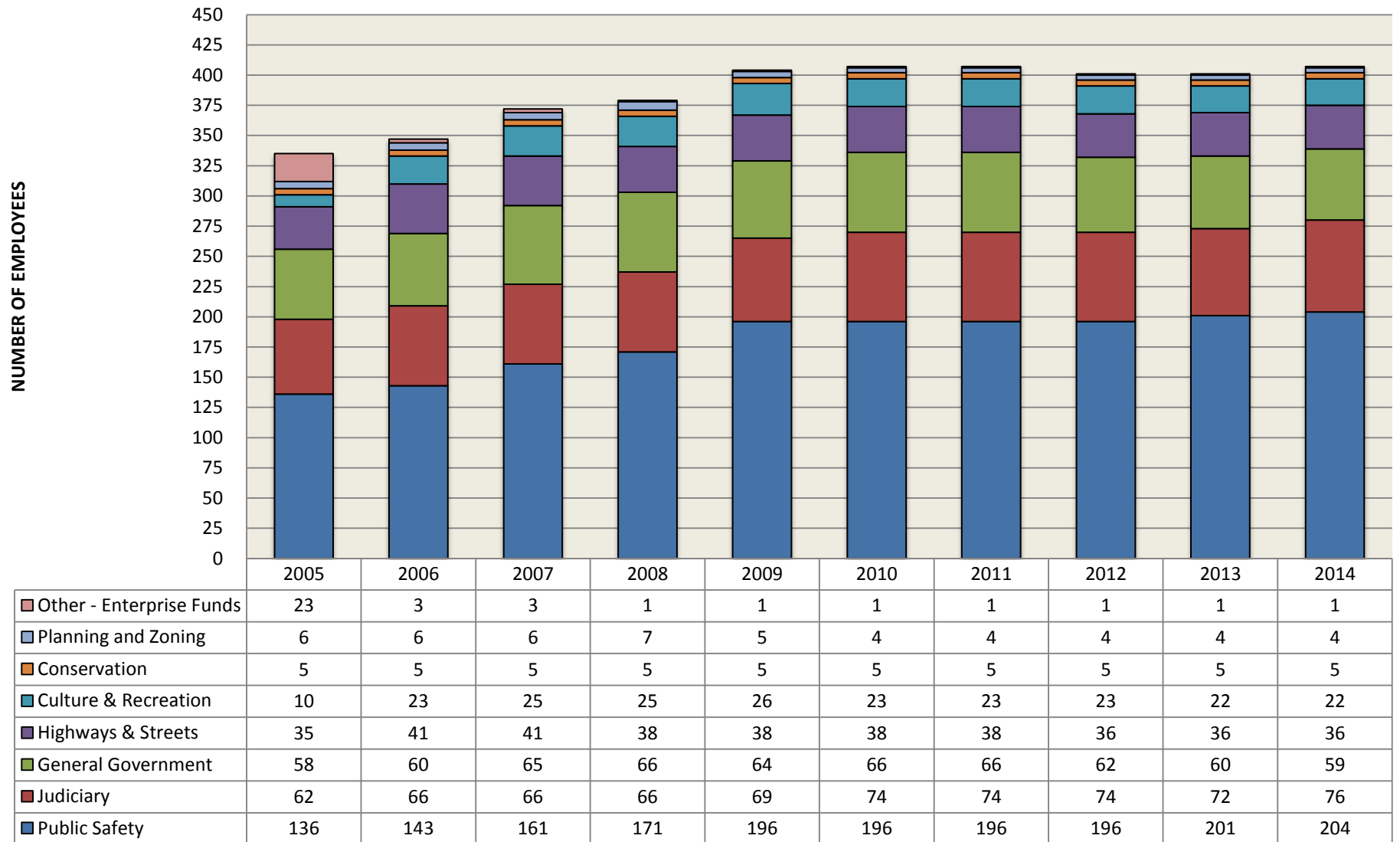
**Gordon County, Georgia**  
**County Employees by Function/Program**  
**Last Ten Fiscal Years**

| <u>Function/program</u>               | Fiscal Year Ended June 30, |            |            |            |            |            |            |            |            |            |
|---------------------------------------|----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                       | 2005                       | 2006       | 2007       | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       | 2014       |
| <b>General Government</b>             |                            |            |            |            |            |            |            |            |            |            |
| Board of Commissioners                | 5                          | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          |
| County Attorney                       | 1                          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 0          |
| County Clerk                          | 1                          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Human Resources                       | 2                          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          |
| Finance                               | 7                          | 7          | 7          | 7          | 7          | 7          | 7          | 7          | 7          | 7          |
| Information Technology                | 2                          | 3          | 3          | 3          | 3          | 3          | 3          | 3          | 3          | 3          |
| GIS                                   | -                          | -          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Administration                        | 2                          | 2          | 3          | 4          | 4          | 4          | 4          | 3          | 3          | 3          |
| Voter Registration                    | 2                          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          |
| Tax Commissioner                      | 16                         | 16         | 16         | 16         | 15         | 15         | 15         | 13         | 13         | 13         |
| Tax Assessor                          | 11                         | 11         | 11         | 11         | 11         | 13         | 13         | 13         | 11         | 11         |
| Buildings and Grounds                 | 3                          | 4          | 6          | 6          | 5          | 5          | 5          | 5          | 5          | 5          |
| Fleet Management                      | 6                          | 6          | 7          | 7          | 7          | 7          | 7          | 6          | 6          | 6          |
| <b>Total General Government</b>       | <b>58</b>                  | <b>60</b>  | <b>65</b>  | <b>66</b>  | <b>64</b>  | <b>66</b>  | <b>66</b>  | <b>62</b>  | <b>60</b>  | <b>59</b>  |
| <b>Judiciary</b>                      |                            |            |            |            |            |            |            |            |            |            |
| Victim Advocacy                       | 2                          | 3          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 3          |
| Probate Court                         | 5                          | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          |
| Juvenile Court                        | 7                          | 7          | 7          | 7          | 7          | 7          | 7          | 7          | 7          | 8          |
| Superior Court                        | 16                         | 20         | 20         | 20         | 22         | 26         | 26         | 26         | 26         | 27         |
| Magistrate Court                      | 10                         | 10         | 10         | 10         | 10         | 10         | 10         | 10         | 9          | 10         |
| Clerk of Superior Court               | 11                         | 10         | 10         | 10         | 11         | 12         | 12         | 12         | 11         | 11         |
| District Attorney                     | 11                         | 11         | 12         | 12         | 12         | 12         | 12         | 12         | 12         | 12         |
| <b>Total Courts</b>                   | <b>62</b>                  | <b>66</b>  | <b>66</b>  | <b>66</b>  | <b>69</b>  | <b>74</b>  | <b>74</b>  | <b>74</b>  | <b>72</b>  | <b>76</b>  |
| <b>Public Safety</b>                  |                            |            |            |            |            |            |            |            |            |            |
| Sheriff's Department                  | 48                         | 49         | 50         | 50         | 67         | 71         | 73         | 76         | 76         | 77         |
| Jail                                  | 32                         | 37         | 37         | 46         | 54         | 50         | 48         | 46         | 46         | 48         |
| Emergency Management                  | 2                          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          |
| Animal Control                        | 2                          | 2          | 4          | 4          | 4          | 4          | 4          | 4          | 4          | 4          |
| Coroner                               | 2                          | 2          | 2          | 3          | 3          | 3          | 3          | 3          | 3          | 3          |
| Fire Department                       | 29                         | 29         | 44         | 44         | 44         | 44         | 44         | 43         | 48         | 48         |
| E-911                                 | 21                         | 22         | 22         | 22         | 22         | 22         | 22         | 22         | 22         | 22         |
| <b>Total Public Safety</b>            | <b>136</b>                 | <b>143</b> | <b>161</b> | <b>171</b> | <b>196</b> | <b>196</b> | <b>196</b> | <b>196</b> | <b>201</b> | <b>204</b> |
| <b>Highway &amp; Streets</b>          |                            |            |            |            |            |            |            |            |            |            |
| Public Works                          | 35                         | 41         | 41         | 38         | 38         | 38         | 38         | 36         | 36         | 36         |
| <b>Total Highway &amp; Streets</b>    | <b>35</b>                  | <b>41</b>  | <b>41</b>  | <b>38</b>  | <b>38</b>  | <b>38</b>  | <b>38</b>  | <b>36</b>  | <b>36</b>  | <b>36</b>  |
| <b>Culture &amp; Recreation</b>       |                            |            |            |            |            |            |            |            |            |            |
| Senior Center                         | 2                          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          | 2          |
| Salacoa Creek Park                    | 2                          | 9          | 10         | 10         | 10         | 8          | 8          | 8          | 8          | 8          |
| Recreation Department                 | 6                          | 12         | 13         | 13         | 14         | 13         | 13         | 13         | 12         | 12         |
| <b>Total Culture &amp; Recreation</b> | <b>10</b>                  | <b>23</b>  | <b>25</b>  | <b>25</b>  | <b>26</b>  | <b>23</b>  | <b>23</b>  | <b>23</b>  | <b>22</b>  | <b>22</b>  |
| <b>Conservation</b>                   |                            |            |            |            |            |            |            |            |            |            |
| County Extension Service              | 5                          | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          |
| Soil & Erosion                        | -                          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Total Conservation</b>             | <b>5</b>                   | <b>5</b>   | <b>5</b>   | <b>5</b>   | <b>5</b>   | <b>5</b>   | <b>5</b>   | <b>5</b>   | <b>5</b>   | <b>5</b>   |
| <b>Planning &amp; Zoning</b>          |                            |            |            |            |            |            |            |            |            |            |
| Building, Planning, and Development   | 5                          | 5          | 5          | 6          | 5          | 4          | 4          | 4          | 4          | 4          |
| Ordinance Enforcement                 | 1                          | 1          | 1          | 1          | -          | -          | -          | -          | -          | -          |
| <b>Total Planning &amp; Zoning</b>    | <b>6</b>                   | <b>6</b>   | <b>6</b>   | <b>7</b>   | <b>5</b>   | <b>4</b>   | <b>4</b>   | <b>4</b>   | <b>4</b>   | <b>4</b>   |
| <b>Chert Mine</b>                     |                            |            |            |            |            |            |            |            |            |            |
| Chert Mine                            | 3                          | 3          | 3          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| <b>Total Chert Mine</b>               | <b>3</b>                   | <b>3</b>   | <b>3</b>   | <b>1</b>   | <b>1</b>   | <b>1</b>   | <b>1</b>   | <b>1</b>   | <b>1</b>   | <b>1</b>   |
| <b>Solid Waste Management</b>         |                            |            |            |            |            |            |            |            |            |            |
| Solid Waste Management                | 10                         | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Compactor Sites                       | 8                          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Recycling                             | 2                          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Total Solid Waste Management</b>   | <b>20</b>                  | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>-</b>   |
| <b>Total</b>                          | <b>335</b>                 | <b>347</b> | <b>372</b> | <b>379</b> | <b>404</b> | <b>407</b> | <b>407</b> | <b>401</b> | <b>401</b> | <b>407</b> |

Source:

<sup>1</sup> County Human Resources Department

**Gordon County, Georgia**  
**Chart-County Employees by Function/Program**  
**Last Ten Fiscal Years**



**Gordon County, Georgia**  
**Operating Statistics by Function/Program**  
*Last Ten Fiscal Years*

| <b><u>Function/program</u></b>       | <b>Fiscal Year Ended June 30,</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|--------------------------------------|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                      | <b><u>2005</u></b>                | <b><u>2006</u></b> | <b><u>2007</u></b> | <b><u>2008</u></b> | <b><u>2009</u></b> | <b><u>2010</u></b> | <b><u>2011</u></b> | <b><u>2012</u></b> | <b><u>2013</u></b> | <b><u>2014</u></b> |
| Fire                                 |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Emergency responses                  | 3,217                             | 2,945              | 3,482              | 2,912              | 2,960              | 2,900              | 2,817              | 2,050              | 1,980              | 2,127              |
| Fires extinguished                   | 194                               | 226                | 131                | 177                | 202                | 218                | 217                | 192                | 203                | 272                |
| Inspections                          | 713                               | 1,234              | 1,188              | 864                | 1,836              | 1,029              | 883                | 1,077              | 886                | 635                |
| Refuse collection                    |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Refuse collected (tons per day)      | 133.4                             | 141.8              | 730.5              | 874.3              | 740.16             | 656.4              | 604.68             | 739.48             | 603.95             | 536.84             |
| Recyclables collected (tons per day) | 7.01                              | 6.67               | 6.55               | 10.62              | 8.39               | 9.93               | 31.65              | 43.6               | 33.87              | 36.93              |
| Streets and highways                 |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Resurfacing (miles)                  | 40.55                             | 47.83              | 43.96              | 20.75              | 32.36              | 27                 | 41.15              | 31.56              | 27                 | 32.07              |
| Library                              |                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Volumes in collection                | 72,667                            | 72,000             | 84,635             | 84,635             | 89,525             | 90,839             | 95,796             | 91,129             | 90,522             | 86,924             |
| Total volumes borrowed               | 78,003                            | 103,704            | 106,655            | 128,391            | 117,408            | 141,757            | 129,169            | 127,078            | 118,395            | 99,750             |

**Source:**

<sup>1</sup> Various County Departments.

**Gordon County, Georgia**  
*Capital Asset and Infrastructure Statistics by Function/Program*  
*Last Ten Fiscal Years*

| Function/program     | Fiscal Year Ended June 30, |      |      |      |      |        |        |       |        |        |
|----------------------|----------------------------|------|------|------|------|--------|--------|-------|--------|--------|
|                      | 2005                       | 2006 | 2007 | 2008 | 2009 | 2010   | 2011   | 2012  | 2013   | 2014   |
| Fire stations        | 11                         | 11   | 11   | 11   | 11   | 11     | 11     | 11    | 11     | 11     |
| Refuse collection    |                            |      |      |      |      |        |        |       |        |        |
| Collection trucks    | 2                          | 2    | 2    | 2    | 2    | 2      | 2      | 2     | 2      | 2      |
| Streets and highways |                            |      |      |      |      |        |        |       |        |        |
| Streets (miles)      | 550                        | 562  | 547  | 542  | 559  | 558.78 | 558.78 | 560.4 | 560.72 | 558.75 |
| Traffic signals      | 1                          | -    | -    | -    | -    | -      | -      | -     | -      | -      |
| Parks and recreation |                            |      |      |      |      |        |        |       |        |        |
| Acreage              | 445                        | 445  | 445  | 445  | 445  | 445    | 445    | 445   | 445    | 445    |

**Source:**

<sup>1</sup> Various County Departments.

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