

GORDON COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2016

***Prepared by:
Finance Department***

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Gordon County, Georgia
Comprehensive Annual Financial Report
For the Year Ended June 30, 2016

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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 20, 2016

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, 2016.

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, 2016, 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, 2016, 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, 2016, 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 Bureau. Gordon County's population has increased 25.1% from 2000 to 2010 and increased 2.52% from 2010 to 2015. The county's most recent 2015 population estimate is 56,574. 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. During the fiscal year 2016, a major budget initiative was to provide needed office space for essential County services with the purchase and renovation of a 19,000 square foot office building.

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

The local economy in Gordon County continues to be relatively stable. During this fiscal year, the county has seen overall real property tax assessments increase, building permits increase, and unemployment decline from 6.2% in June 2015 to 5.6% in June 2016. Sales tax revenue declined by 5.18% during the fiscal year. This decline resulted in a \$300,336 decrease in Local Option Sales Tax (LOST) and a \$432,535 decrease in Special Purpose Local Option Sales Tax (SPLOST) compared to the previous year. The Board of Commissioners reduced the Ad Valorem taxes on manufactured goods by increasing the Freeport tax exemption from 40% to 60%. The millage rate was increased from 9.747 to 9.930, and the county's net taxes levied during 2016 increased by 3.26% from the previous fiscal year.

To promote local commerce, the Gordon County Chamber of Commerce continued its very successful "Keep It In The County" local spending campaign. In addition, the local Development Authority continued to aggressively recruit new businesses and industrial prospects by showcasing the county's great location, moderate climate, and availability of utilities, land, skilled workforce, and business incentives.

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

The **industrial sector** saw moderate growth and activity. Some major projects included a \$5M expansion at Mohawk Industries, a \$6.75M investment in new buildings and equipment at Stanton Carpet, a \$40M investment by LG Hausys at their local Viatera Plant, and a \$3M investment in equipment by Kerry Industries. While these projects are expected to bring in new jobs and additional tax revenue, other companies have downsized or moved operations elsewhere. OMNOVA Solutions converted their local manufacturing facility to a distribution point which resulted in a loss of approximately 50 jobs, and Case New Holland relocated their excavator manufacturing plant to a different state. The Development Authority reports five existing industry expansions anticipated during the upcoming year.

The **retail sector** also saw both expansions and closings. Overall, small businesses appeared to thrive, with the Chamber welcoming thirty-three new members, presenting one groundbreaking, hosting nineteen ribbon cuttings and hosting seven grand re-openings. The Chamber and its Convention & Visitors Bureau (CVB) office and Downtown Development Authority worked closely with local retailers to promote local shopping events, street festivals and holiday parades.

The **tourism sector** has continued to expand. This year the CVB and Calhoun's Downtown Development Authority held the 5th Annual BBQ Boogie & Blues festival, which has become a signature event for Gordon County with over 10,000 visitors from as far away as Canada. The Chamber of Commerce and CVB actively advertised in multiple print publications; which included Southern Living Magazine, Georgia

Magazine, Georgia Travel Guide, Georgia State Parks Guide, Georgia's Great Places, Georgia Outdoors Guide, and Georgia Eats. Periodic digital advertisements on the state's tourism website; such as, ExploreGeorgia.org, bi-monthly e-newsletters, the CVB website, ExploreGordonCounty.com, and various social media sites, were used to promote local attractions. The CVB received the State of Georgia Commissioner of Economic Development Award for Outstanding Leadership for successfully promoting local tourism.

In the **government sector**, the Georgia Department of Transportation (GDOT) completed the final inspections of the newly commissioned Exit 306 on Union Grove Road, located just south of Calhoun's Outlet Mall, facilitating direct access from I-75 to prime industrial park locations. Subsequent work began on a new Highway 53 bypass that will further reduce traffic congestion and encourage new growth in the industrial sector. The state's Port Authority is expected to begin work next year to construct an inland rail port near Highway 411. This port will provide local industries with direct rail access to the deep-water Port of Savannah.

The State of Georgia has also completed other major transportation projects on I-75 within Gordon County; which included new bridges, lanes, and ramps at the SR-156/I-75 Red Bud Road interchange and SR-136/I-75 Resaca interchange. Additionally, the Georgia Department of Natural Resources commissioned a new Battlefield State Historic Site near Resaca. Through an intergovernmental agreement, Gordon County is now operating this 483-acre state park. With over 4 miles of walking trails, the park will be used to encourage cultural, educational, and recreational opportunities while preserving the historical landscape.

The Gordon County Board of Commissioners acquired a 19,000 square foot building to facilitate the future renovation of the Courthouse, allow for future growth, and improves downtown parking congestion. New fire hydrants were installed throughout the county and a new Fire Station was opened in the Red Bud community funded through SPLOST revenue. The county also completed the construction of the George Chamber Resource Center's training facility. This resource will be used to teach critical life skills to local citizens with developmental disabilities funded through a Community Development Block Grant.

Gordon County's housing market continued to show improvement during the fiscal year that was reflected in building activity throughout the unincorporated area of the county. Single family home building permits increased from 51 to 54, commercial/industrial permits increased from 5 to 6, and rezoning requests increased from 8 to 15. Conversely, permits for manufactured housing decreased from 34 to 29.

Regarding the **health care sector**, Gordon Hospital was listed in Gallup's 150 Great Places to Work. Gordon Hospital Cancer Care continues to strengthen its offerings with the region's only fellowship-trained surgical oncologist and urologic oncologist, partnering together with the radiation oncologists and medical oncologist to provide a complete spectrum of comprehensive cancer care to the Northwest Georgia community. Gordon Hospital Robotic Surgery conducted approximately 40 surgical cases using the new da Vinci robotic surgical system. Becker's Healthcare Review named Gordon Hospital to their prestigious 100 Great Community Hospitals list in 2016. Additionally, the Centers for Medicare and Medicaid Services named Gordon Hospital a Five-Star hospital, one of only two hospitals in Georgia to receive this designation; and the Leapfrog Group gave Gordon Hospital a straight A rating in patient safety. Gordon Emergency Medical Service received regional recognition as EMS of the Year.

In the **education sector**, Gordon County Schools continued to expand the programs offered at the Gordon County College and Career Academy, which has been successful in building industry partnerships and providing training for high skill employment for local students. The Calhoun City School system completed construction of a new multi-purpose field in phase three of a multi-year construction project. The Calhoun Middle/High School Campus now includes approximately 341,000 square feet of new construction plus approximately 46,000 square feet of existing classrooms and gym space. Construction of these facilities was funded through state capital outlay funds and a voter approved 1% Education SPLOST.

Long-Term Financial Planning and Major Initiatives

Gordon County voters approved the continuation of the 1% SPLOST during 2011 for six years from April 2012 to March 2018 to raise an estimated \$51.6M to improve the downtown parking deck (completed), county-wide public safety communication system (completed), fire station (completed), health department, animal shelter, courthouse and annex renovations and repairs, expand the senior citizens center and library (completed), install new fire hydrants, perform road maintenance, develop a new park, purchase new Sheriff Office vehicles (completed), 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. The next SPLOST referendum is expected to be presented to the voters in November 2017; and if approved, would authorize a continuation of the 1% SPLOST from 2018 until 2024.

Relevant Financial Policies

Gordon County adopted a comprehensive set of financial policies on September 1, 2009 to provide the framework for assisting both the Gordon County Board of Commissioners and the County's staff in making financial decisions in a fiscally sound manner. These financial policies have annually enhanced the financial management of the County.

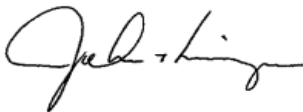
Awards and Acknowledgements

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, 2015. This was the eleventh 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,



John A. King III
County Administrator



Al Leonard, CPA
Finance Director



Government Finance Officers Association

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

Presented to

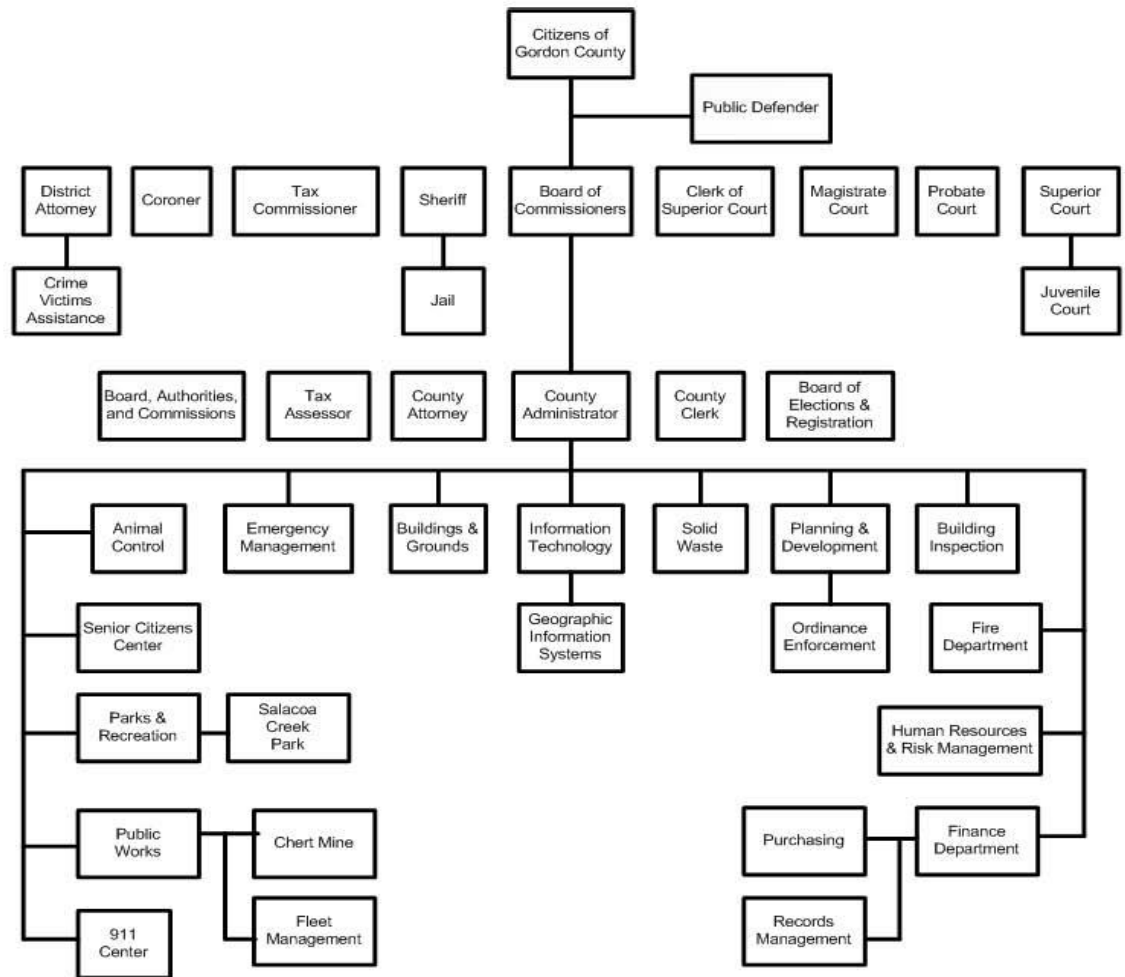
**Gordon County
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

Gordon County Organizational Chart



Gordon County, Georgia

List of Principal Officials

June 30, 2016

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
Jim Ledbetter
Al Leonard

County Administrator
County Clerk
County Attorney
Finance Director

R.M. DOBBS & COMPANY

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

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

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.

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, 2016, 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 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 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 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, 2016, 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 and other auditors 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 Gordon County, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements, statistical section, and the project cost schedule for projects constructed with special sales tax proceeds 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, budgetary comparison schedules, and project cost schedule for projects constructed with special sales tax 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 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, budgetary comparison schedules, and the project cost schedule for projects constructed with special sales tax 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 16, 2016, 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. Robles & Company

Calhoun, Georgia
December 16, 2016

Gordon County, Georgia
Management's Discussion and Analysis
For the Year Ended June 30, 2016
(Unaudited)

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, 2016. 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 \$129,616,793 (net position) for the fiscal year reported. This compares to the previous year when total assets exceeded total liabilities by \$129,048,023.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$86,232,441 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 \$18,027,180 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$25,357,172 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 \$39,577,476 this year. This compares to the prior year ending fund balance of \$37,575,867 showing an increase of \$2,001,609 during the current year. Unassigned fund balance of \$20,228,992 for fiscal year 2016 shows a \$2,082,333 increase over the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$20,228,992 or 68.1% 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.

Gordon County, Georgia
Management's Discussion and Analysis
For the Year Ended June 30, 2016
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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 the General Fund and 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 129,616,793. This is a \$568,770 increase from last year's net position of \$129,048,023. The table below provides a summary of the County's net position:

	Summary of Net Position						Percentage of Total	
	Governmental Activities		Business Activities		Total		of Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Assets:								
Current	\$ 42,577,734	\$ 41,198,479	\$ 8,404,339	\$ 8,207,787	\$ 50,982,073	\$ 49,406,266	35%	34%
Noncurrent								
Capital assets	92,265,484	91,599,105	4,447,641	5,331,544	96,713,125	96,930,649	65%	66%
Total assets	134,843,218	132,797,584	12,851,980	13,539,331	147,695,198	146,336,915	100%	100%
Liabilities:								
Current liabilities	2,185,411	2,846,561	14,006	24,963	2,199,417	2,871,524	13%	17%
Long-term liabilities	11,213,907	10,062,884	4,092,169	3,778,534	15,306,076	13,841,418	87%	83%
Total liabilities	13,399,318	12,909,445	4,106,175	3,803,497	17,505,493	16,712,942	100%	100%
Deferred inflows of resources	572,912	575,950	-	-	572,912	575,950	-	-
Net position:								
Net investment in capital assets	81,784,800	82,323,851	4,447,641	5,331,544	86,232,441	87,655,395	66%	68%
Restricted	18,027,180	18,077,357	-	-	18,027,180	18,077,357	14%	14%
Unrestricted	21,059,008	18,910,981	4,298,164	4,404,290	25,357,172	23,315,271	20%	18%
Total net position	\$ 120,870,988	\$ 119,312,189	\$ 8,745,805	\$ 9,735,834	\$ 129,616,793	\$ 129,048,023	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 19.48 to 1 and 600.05 to 1 for business-type activities. For the County overall, the current ratio is 23.18 to 1. Note that approximately 68% 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 50.85% of its net position on capital. Capital assets in the business-type activities principally provide solid waste services.

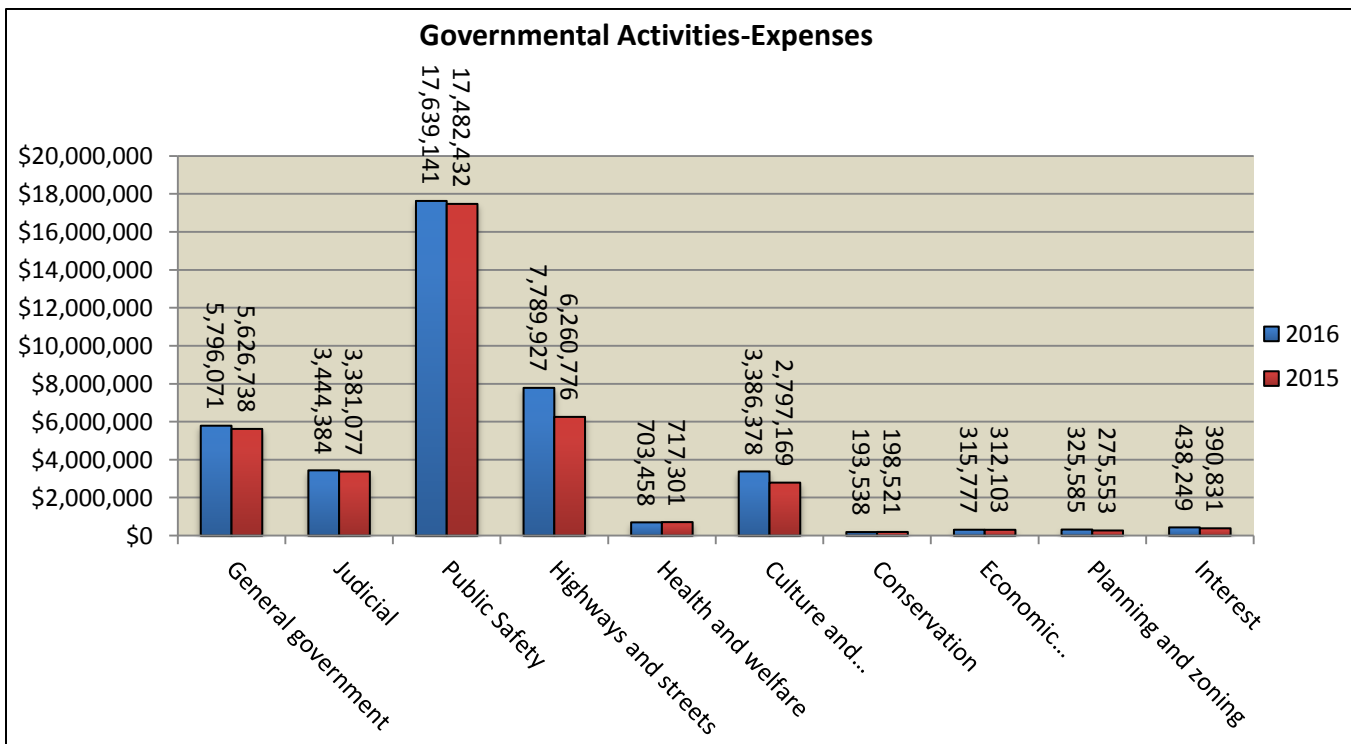
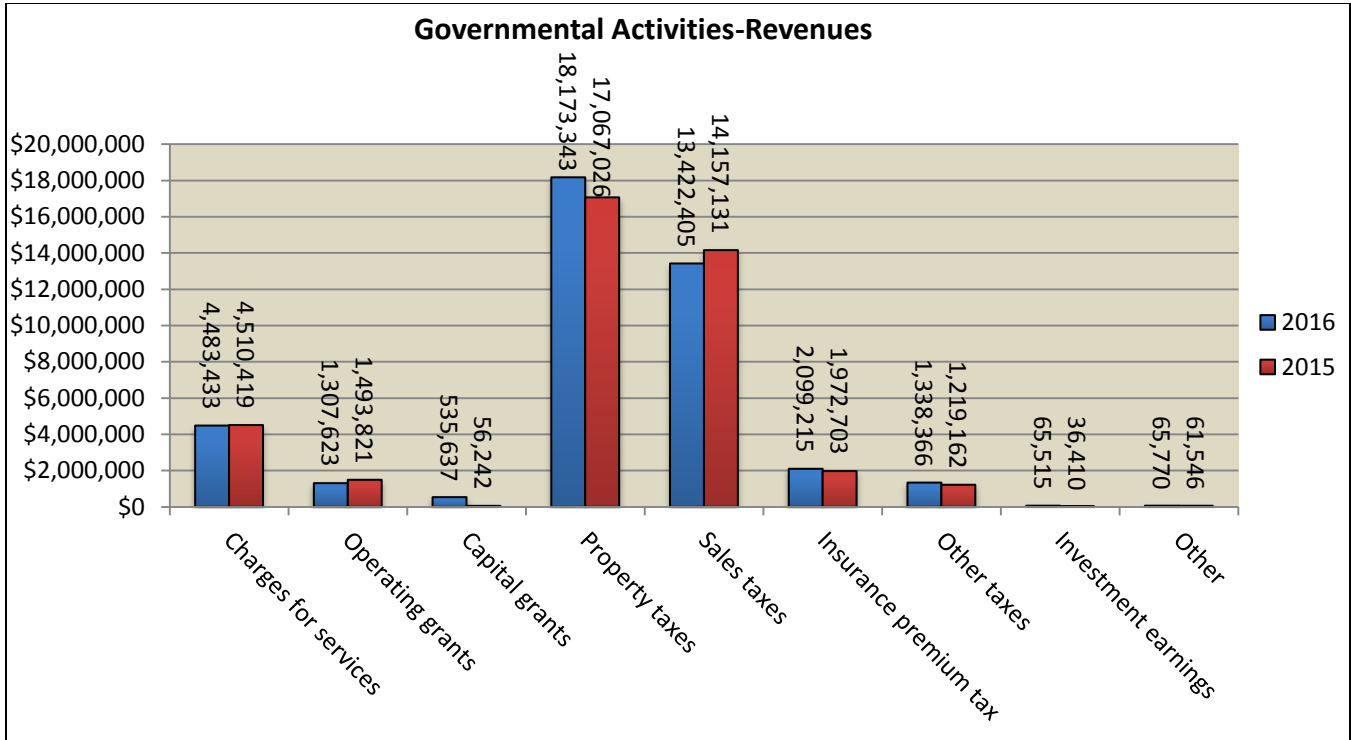
The County reported positive balances in net position for both governmental and business-type activities. Net position increased 1.31% or \$1,558,799 for governmental activities and decreased 10.17% or \$990,029 for business-type activities. The total net position increased 0.44% or \$568,770. Governmental activities have current assets of \$42,577,734. These assets include \$37,237,578 of cash and investments. This is an increase of 1,449,014 or 4.05% over the prior year. Net investment in capital assets for governmental activities decreased .65% or \$539,051 and decreased 16.58% or \$883,903 for business activities. The business-type activities decrease in net investment in capital assets is due to current depreciation and depletion expense of \$883,903.

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

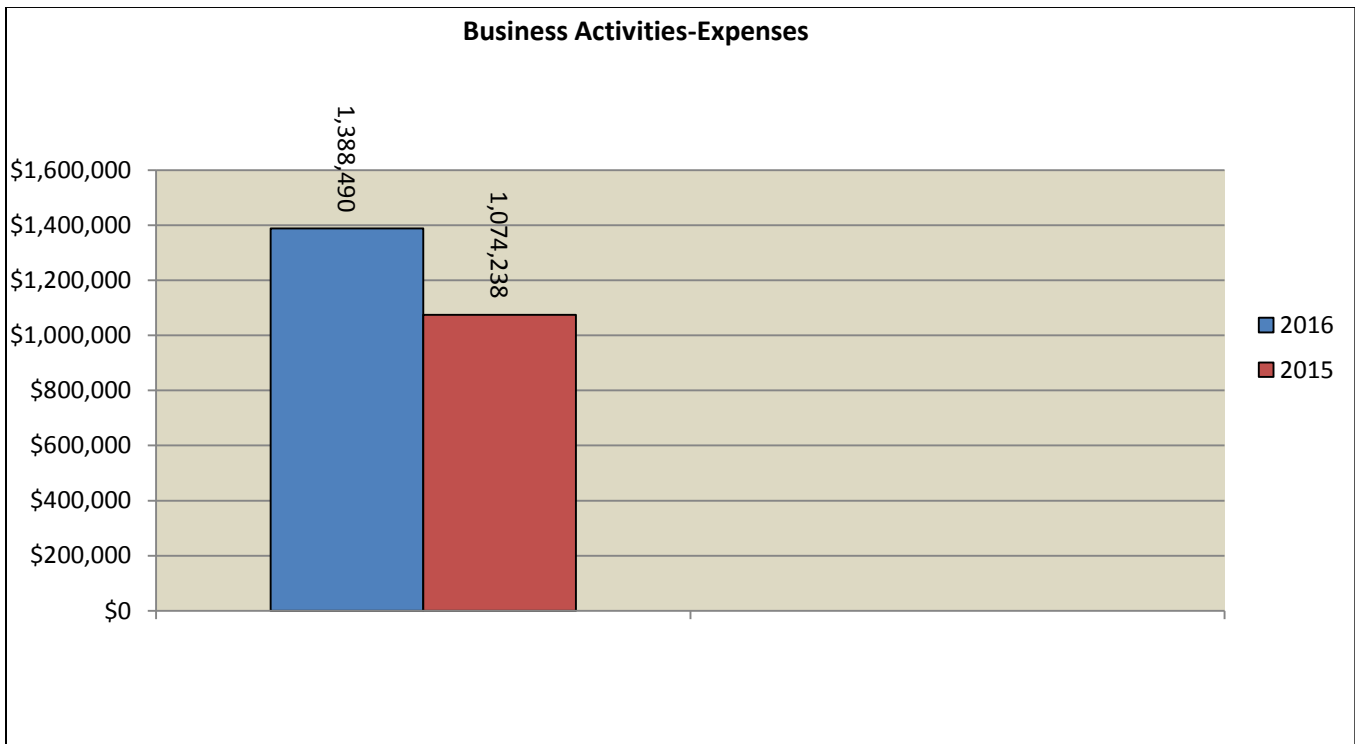
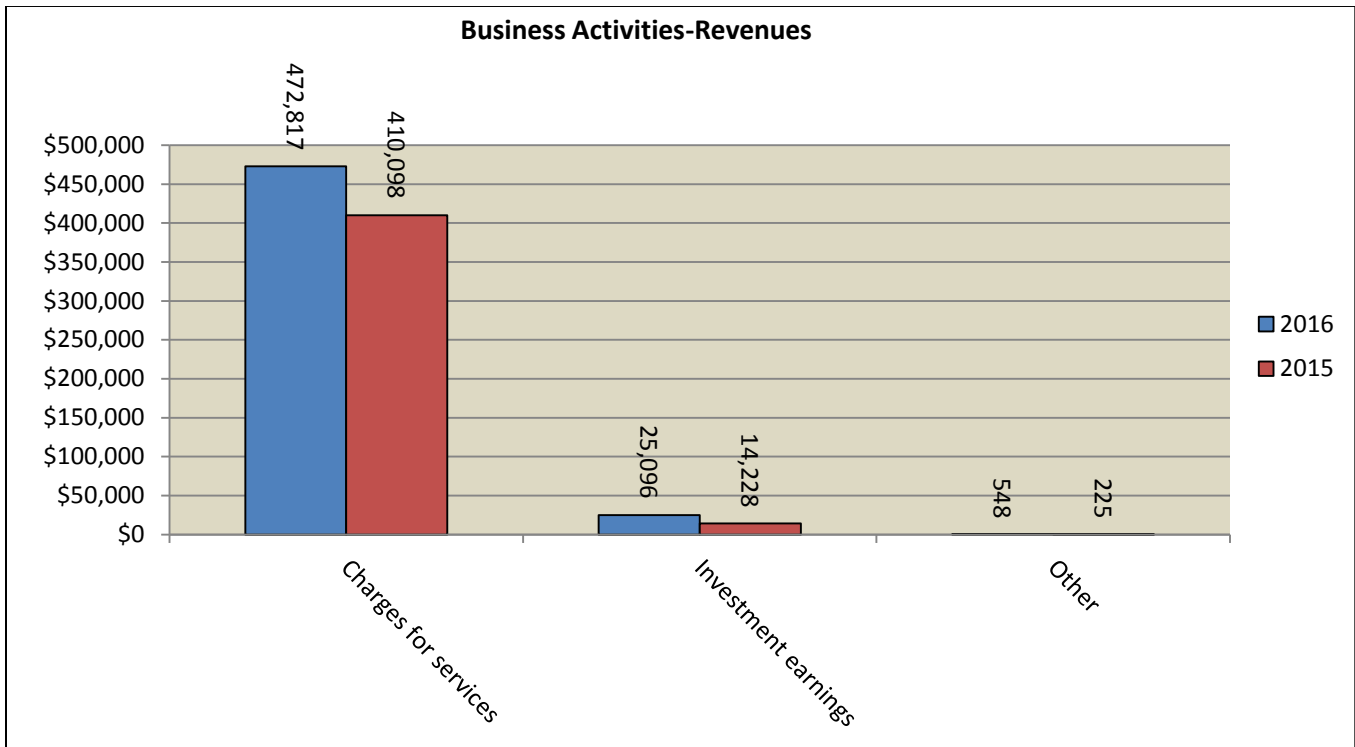
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	Summary of Changes in Net Position							
	Governmental Activities		Business Activities		Total		Percentage of Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues:								
Program:								
Charges for services	\$ 4,483,433	\$ 4,510,419	\$ 472,817	\$ 410,098	\$ 4,956,250	\$ 4,920,517	11.80%	12.00%
Operating grants	1,307,623	1,493,821	-	-	1,307,623	1,493,821	3.11%	3.64%
Capital grants	535,637	56,242	-	-	535,637	56,242	1.28%	0.14%
General:								
Property taxes	18,173,343	17,067,026	-	-	18,173,343	17,067,026	43.28%	41.63%
Sales taxes	13,422,405	14,157,131	-	-	13,422,405	14,157,131	31.97%	34.53%
Insurance prem. taxes	2,099,215	1,972,703	-	-	2,099,215	1,972,703	4.99%	4.81%
Other taxes	1,338,366	1,219,162	-	-	1,338,366	1,219,162	3.19%	2.98%
Investment earnings	65,515	36,410	25,096	14,228	90,611	50,638	0.22%	0.12%
Other	65,770	61,546	548	225	66,318	61,771	0.16%	0.15%
Total revenues	41,491,307	40,574,460	498,461	424,551	41,989,768	40,999,011	100.0%	100.0%
Expenses:								
General government	5,796,071	5,626,738	-	-	5,796,071	5,626,738	13.99%	14.61%
Judicial	3,444,384	3,381,077	-	-	3,444,384	3,381,077	8.32%	8.78%
Public safety	17,639,141	17,482,432	-	-	17,639,141	17,482,432	42.59%	45.39%
Highways and streets	7,789,927	6,260,776	-	-	7,789,927	6,260,776	18.81%	16.25%
Health and welfare	703,458	717,301	-	-	703,458	717,301	1.70%	1.86%
Culture and recreation	3,386,378	2,797,169	-	-	3,386,378	2,797,169	8.18%	7.26%
Conservation	193,538	198,521	-	-	193,538	198,521	0.47%	0.52%
Economic develop.	315,777	312,103	-	-	315,777	312,103	0.76%	0.81%
Planning and zoning	325,585	275,553	-	-	325,585	275,553	0.79%	0.72%
Interest	438,249	390,831	-	-	438,249	390,831	1.06%	1.01%
Solid waste	-	-	1,275,678	972,678	1,275,678	972,678	3.06%	2.53%
Chert	-	-	112,812	101,560	112,812	101,560	0.27%	0.26%
Total expenses	40,032,508	37,442,501	1,388,490	1,074,238	41,420,998	38,516,739	100.0%	100.0%
Excess (Deficiency)	1,458,799	3,131,959	(890,029)	(649,687)	568,770	2,482,272		
Transfers	100,000	-	(100,000)	-	-	-		
Change in net position	1,558,799	3,131,959	(990,029)	(649,687)	568,770	2,482,272		
Beginning net position	119,312,189	116,180,230	9,735,834	10,385,521	129,048,023	126,565,751		
Ending net position	\$ 120,870,988	\$ 119,312,189	\$ 8,745,805	\$ 9,735,834	\$ 129,616,793	\$ 129,048,023		

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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 43.80% or \$18,173,343 of the County's total governmental revenues. Sales taxes are the second largest revenue source with over 32.35% or \$13,422,405 of the total governmental revenues. Sales taxes and property taxes together provided 76.15% or \$31,595,748 and 76.96% or \$31,224,157 of the total governmental revenues for the years ended June 30, 2016 and 2015, respectively. Governmental activities revenues increased 2.26% or \$916,847 from FY 2015. Operating and capital grants increased 18.92% or \$293,197. Sales taxes decreased 5.19% or \$734,726. The decrease in sales taxes is due to reduced sales throughout the northwest Georgia area.

Governmental Activities Expenses

The public safety and highways and streets functions account for 63.52% or \$25,429,068 and 63.41% or \$23,743,208 of the total governmental expenses for the years ended June 30, 2016 and 2015, respectively. Judicial, general government and recreation expenses are the second largest expenses and represent 31.54% or \$12,626,833 and 31.53% or \$11,804,984 of the total governmental expenses for the years ended June 30, 2016 and 2015, respectively. Governmental activities expenses increased 6.92% or \$2,590,007 from FY 2015. This increase is due principally to increased expense related to highways and streets and culture and recreation.

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 \$21,550,296. Of this year-end total, \$20,228,992 is unassigned indicating availability for continuing County service requirements. Nonspendable fund balance includes \$302,531 set aside for prepaid items and committed fund balance of \$1,018,773 committed for employee health insurance. 93.9 percent or \$20,228,992 of the total fund balance is attributed to the unassigned fund balance.

The General Fund total expenditures increased 5.72 % or \$1,455,709 in 2016 from 2015. The increase is due principally to the General government increase in capital outlay of \$1,654,411 attributed to the purchase and beginning renovation costs of the Gordon County Government Plaza building and the County Attorney department having a full year of expenditures of \$118,666 after contracting with an outside attorney in FY 2015.

	2016	2015	Dollar Increase (Decrease)	Percent Increase -Decrease
Expenditures				
Current				
General government	\$ 7,032,044	\$ 5,149,334	\$ 1,882,710	36.56%
Judicial	3,183,229	3,143,177	40,052	1.27%
Public safety	10,301,388	10,373,582	(72,194)	-0.70%
Highways and streets	2,641,337	2,662,529	(21,192)	-0.80%
Health and welfare	703,458	717,301	(13,843)	-1.93%
Culture and recreation	1,837,205	1,794,219	42,986	2.40%
Conservation	192,751	196,458	(3,707)	-1.89%
Economic development	258,781	258,539	242	0.09%
Planning and zoning	325,847	274,978	50,869	18.50%
Debt service				
Principal retirement	245,664	492,589	(246,925)	-50.13%
Interest and fiscal charges	176,624	403,479	(226,855)	-56.22%
Debt issuance costs	23,566	-	23,566	0.00%
Total Expenditures	\$ 26,921,894	\$ 25,466,185	\$ 1,455,709	5.72%

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The General Fund revenues increased 2.59% or \$751,433 in 2016 from 2015. This increase is due to improved tax collections of \$488,714 and an increase in excise taxes of \$117,489. In addition, intergovernmental revenues increased \$347,816 attributed to funding from the State of Georgia for a CDBG grant for the George Chambers building.

	2016	2015	Dollar Increase (Decrease)	Percent Increase -Decrease
Revenues				
Taxes	\$ 24,782,966	\$ 24,478,816	\$ 304,150	1.24%
Licenses and permits	227,280	215,542	11,738	5.45%
Intergovernmental	1,533,648	1,185,832	347,816	29.33%
Charges for services	1,488,766	1,442,242	46,524	3.23%
Fines and forfeitures	1,123,462	1,092,654	30,808	2.82%
Investment earnings	61,421	33,514	27,907	83.27%
Contributions and donations	13,110	26,117	(13,007)	-49.80%
Miscellaneous	507,082	511,585	(4,503)	-0.88%
Total Revenues	\$ 29,737,735	\$ 28,986,302	\$ 751,433	2.59%

Fire Fund – The Fire Fund has a total fund balance of \$2,798,607 all of which is restricted fire protection services. The net increase in fund balance during the current year was \$490,942. Total revenues increased 6.66% or \$135,571 due to improved Insurance Premium collections. Total expenditures decreased 1.97% or \$76,110. Transfers in from the General Fund decreased 2.38% or \$51,354.

2005 SPLOST Projects Fund – The 2005 SPLOST Projects Fund has a total fund balance of \$505,380 all of which is restricted for voter approved projects. The deficiency of revenues under expenditures was \$580,868. Total revenues decreased 37.09% or \$1,021. Total expenditures decreased 54.75% or \$704,976. 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 pay off existing County debt.

2012 SPLOST Projects Fund – The 2012 SPLOST Projects Fund has a total fund balance of \$13,753,220 all of which is restricted for voter approved projects. The excess of revenues over expenditures was \$108,390. Total revenues decreased 5.00% or \$418,523. Total expenditures increased 26.96% or \$1,667,132. 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 \$77,153 all of which is restricted for voter approved projects. The excess of revenues over expenditures was \$209. Total revenues increased 78.63% or \$92. 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 \$8,415,698. The net position consists of investments in capital assets of \$4,367,641 and unrestricted of \$4,048,057. Total operating revenues decreased 2.26% or \$6,784. This fund reported an operating loss in FY 2016 of \$981,724 while generating a net increase in cash and cash equivalents of \$150,083.

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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 \$303,000. 2016 operating expenses had closure/post costs of \$313,920 and depletion of \$728,377.

General Fund Budgetary Highlights

The original fiscal year 2016 adopted budget anticipated using \$2,416,933 in fund balance to balance the budget. The revised budget anticipated funding expenditures with \$2,737,028 of fund balance. The actual fund balance increase was \$2,051,786 reflecting a positive variance from the revised budget of \$4,788,814.

The 2016 General Fund was able to achieve the positive variance of \$4,788,814 principally by actual expenditures coming in under budget by \$4,212,049 while actual revenues recognized were more than budget of \$593,588. 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 \$1,104,818. This occurred due to the policy of budgeting for the maximum health insurance cost exposure. Intergovernmental-capital outlay came in under budget \$991,563 due to the majority of renovation costs to the Gordon County Government Plaza delayed until the next fiscal year. Salaries in all departments came in under budget \$499,835 due to the delay of hiring of authorized positions and due to some positions being hired for less than the position was budgeted. The most significant budgeted revenues and expenditures are as follows:

	Original Budget	Final Budget	Actual	Variance	% of Actual to Final Budget
Revenues:					
General property taxes	\$17,459,100	\$17,485,820	\$18,004,458	\$518,638	102.97%
Expenditures:					
Group Health Insurance-					
All Departments	4,585,040	4,575,459	3,470,641	1,104,818	75.85%
Intergovernmental-Capital Outlay	875,000	2,682,387	1,690,824	991,563	63.03%
Salaries-All Departments	11,892,857	11,999,762	11,499,927	499,835	95.83%

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, 2016, was \$92,265,484 and \$4,447,641 respectively. The investment in capital assets for governmental activities increased 0.73% or \$666,379 and investments in capital assets for business type activities decreased 16.58% or \$883,903. Governmental activities' depreciable assets increased 4.68% or \$6,409,473 and nondepreciable assets decreased 12.25% or \$2,717,604 with accumulated depreciation increasing 4.48% or \$3,025,490. Business type activities nondepreciable assets did not change from 2015, depreciable assets decreased 0.07% or \$17,336, and accumulated depreciation increased 4.27% or \$866,567.

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

• Parking Deck	\$ 2,430,228
• Dews Pond Fire Station	\$ 1,908,877
• Gordon County Government Plaza Building	\$ 1,080,709
• Vehicles purchased	\$ 613,279

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

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Capital Assets
Net of Accumulated Depreciation

	Governmental Activities		Business Activities		Total	
	2016	2015	2016	2015	2016	2015
Nondepreciable assets:						
Land	\$ 18,761,203	\$ 18,761,203	\$ 703,929	\$ 703,929	\$ 19,465,132	\$ 19,465,132
Construction in progress	698,705	3,416,309	-	-	698,705	3,416,309
Total nondepreciable assets	19,459,908	22,177,512	703,929	703,929	20,163,837	22,881,441
Depreciable assets:						
Improvements	11,550,349	11,121,879	4,110,891	4,110,891	15,661,240	15,232,770
Buildings	61,544,036	56,124,222	923,648	923,648	62,467,684	57,047,870
Machinery and equipment	14,788,541	14,227,352	4,017,299	4,034,635	18,805,840	18,261,987
Landfill cell space	-	-	15,834,276	15,834,276	15,834,276	15,834,276
Infrastructure	55,497,850	55,497,850	-	-	55,497,850	55,497,850
Total depreciable assets	143,380,776	136,971,303	24,886,114	24,903,450	168,266,890	161,874,753
Less accumulated depreciation	70,575,200	67,549,710	21,142,402	20,275,835	91,717,602	87,825,545
Book value - depreciable assets	\$ 72,805,576	\$ 69,421,593	\$ 3,743,712	\$ 4,627,615	\$ 76,549,288	\$ 74,049,208
Book value - all capital assets	\$ 92,265,484	\$ 91,599,105	\$ 4,447,641	\$ 5,331,544	\$ 96,713,125	\$ 96,930,649
Percentage depreciated	49%	49%	85%	81%	55%	54%

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

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Long-term Debt

At the end of the fiscal year, the County had total capital lease obligations outstanding of \$10,374,680. During the year the County made lease payments of \$585,664. The County's other long-term debt relates to landfill closure and post closure care and compensated absences.

	Outstanding Debt						
	Governmental Activities		Business-type Activities		Totals		Dollar Change
	2016	2015	2016	2015	2016	2015	
Capital leases	\$ 10,374,680	\$ 9,160,344	\$ -	\$ -	\$ 10,374,680	\$ 9,160,344	\$ 1,214,336
Unamortized debt premium	106,004	114,910	-	-	106,004	114,910	(8,906)
Net capital leases	10,480,684	9,275,254	-	-	10,480,684	9,275,254	1,205,430
Landfill closure and postclosure care	-	-	4,093,647	3,779,727	4,093,647	3,779,727	313,920
Compensated absences	894,761	890,100	3,953	4,428	898,714	894,528	4,186
Total	\$ 11,375,445	\$ 10,165,354	\$ 4,097,600	\$ 3,784,155	\$ 15,473,045	\$ 13,949,509	\$ 1,523,536

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 2017 reflected an 8.36% decrease over the same period in fiscal year 2016. Local option sales taxes decreased 5.18% from fiscal year 2015 to 2016. The County's finances are reflecting improvements from its previous economic slowdown and its unemployment rate improved to 5.6% as of June 2016 from 6.2% as of June 2015. The fiscal year 2017 gross maintenance and operation property tax digest shows a slight increase of 4.33% over the fiscal year 2016 digest while M&O exemptions increased 21.60% due to an increase in Freeport exemption to a 60% rate in all categories. The millage rate in fiscal year 2017 decreased to 9.835 from a 9.930 rate in the previous year.

The County adopted its fiscal year 2017 budget on June 21, 2016. The General Fund budget for fiscal year 2017 reflected revenues, other financing sources and use of fund balance of \$34,747,884 and expenditures and other financing uses of \$34,747,884. This budget reflects a decrease from the fiscal year 2016 budget of \$1,303,342.

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, 2016

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Unit
Assets				
Current Assets				
Cash and cash equivalents	\$ 37,237,578	\$ 8,321,287	\$ 45,558,865	\$ 1,305,747
Receivables				
Accounts	211,083	83,052	294,135	-
Property taxes	1,400,937	-	1,400,937	-
Sales taxes	1,143,905	-	1,143,905	-
Intergovernmental	2,281,700	-	2,281,700	156,387
Prepaid items	302,531	-	302,531	7,268
Restricted assets:				
Cash and cash equivalents	-	-	-	257
Total Current Assets	42,577,734	8,404,339	50,982,073	1,469,659
Noncurrent Assets				
Capital assets				
Nondepreciable	19,459,908	703,929	20,163,837	-
Depreciable, net	72,805,576	3,743,712	76,549,288	988
Total Noncurrent Assets	92,265,484	4,447,641	96,713,125	988
Total Assets	134,843,218	12,851,980	147,695,198	1,470,647
Deferred Outflows of Resources	-	-	-	241,932
Liabilities				
Current Liabilities				
Accounts payable	776,893	7,956	784,849	4,607
Accrued salaries payable	283,551	619	284,170	-
Intergovernmental payable	-	-	-	39,674
Accrued interest payable	77,969	-	77,969	-
Compensated absences payable	356,040	1,581	357,621	6,594
Capital leases payable	642,334	-	642,334	-
Closure and post-closure care payable	-	3,850	3,850	-
Unearned revenue	48,624	-	48,624	-
Total Current Liabilities	2,185,411	14,006	2,199,417	50,875
Long-Term Liabilities (net of current portion)				
Compensated absences payable	538,721	2,372	541,093	59,350
Other postemployment benefits payable	836,836	-	836,836	-
Net pension liability	-	-	-	1,169,071
Capital leases payable	9,838,350	-	9,838,350	-
Closure and post-closure care payable	-	4,089,797	4,089,797	-
Total Long-Term Liabilities	11,213,907	4,092,169	15,306,076	1,228,421
Total Liabilities	13,399,318	4,106,175	17,505,493	1,279,296
Deferred Inflows of Resources - Time Requirements	572,912	-	572,912	99,322
Net Position				
Net investment in capital assets	81,784,800	4,447,641	86,232,441	988
Restricted for				
Capital projects	14,335,753	-	14,335,753	-
Public safety-fire protection	2,798,607	-	2,798,607	-
Public safety-E911 system	612,902	-	612,902	-
Public safety/judicial - other	279,918	-	279,918	-
Unrestricted	21,059,008	4,298,164	25,357,172	332,973
Total Net Position	\$ 120,870,988	\$ 8,745,805	\$ 129,616,793	\$ 333,961

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Activities
For the Year Ended June 30, 2016

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Fines, Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 5,796,071	\$ 1,140,882	\$ 380,324	\$ 499,495	\$ (3,775,370)	\$ -	\$ (3,775,370)	\$ -
Judicial	3,444,384	314,822	56,726	-	(3,072,836)	-	(3,072,836)	-
Public safety	17,639,141	2,666,855	294,623	-	(14,677,663)	-	(14,677,663)	-
Highways and streets	7,789,927	18,046	575,950	36,142	(7,159,789)	-	(7,159,789)	-
Health and welfare	703,458	-	-	-	(703,458)	-	(703,458)	-
Culture and recreation	3,386,378	156,358	-	-	(3,230,020)	-	(3,230,020)	-
Conservation	193,538	-	-	-	(193,538)	-	(193,538)	-
Economic development	315,777	-	-	-	(315,777)	-	(315,777)	-
Planning and zoning	325,585	186,470	-	-	(139,115)	-	(139,115)	-
Interest	438,249	-	-	-	(438,249)	-	(438,249)	-
Total Governmental Activities	40,032,508	4,483,433	1,307,623	535,637	(33,705,815)	-	(33,705,815)	-
Business-Type Activities								
Solid waste management	1,275,678	293,954	-	-	-	(981,724)	(981,724)	-
Chert	112,812	178,863	-	-	-	66,051	66,051	-
Total Business-Type Activities	1,388,490	472,817	-	-	-	(915,673)	(915,673)	-
Total Primary Government	\$ 41,420,998	\$ 4,956,250	\$ 1,307,623	\$ 535,637	(33,705,815)	(915,673)	(34,621,488)	-
Component Unit								
Gordon County Health Department	\$ 1,383,287	\$ 474,503	\$ 606,544	\$ -				(302,240)
General Revenues								
Taxes:								
Property taxes					18,173,343	-	18,173,343	-
Sales taxes					13,422,405	-	13,422,405	-
Insurance premium taxes					2,099,215	-	2,099,215	-
Alcohol beverage taxes					171,869	-	171,869	-
Real estate transfers taxes					259,652	-	259,652	-
Other taxes					906,845	-	906,845	-
Payments from Gordon County					-	-	-	405,262
Proceeds from the sale of capital assets					5,677	-	5,677	-
Investment earnings					65,515	25,096	90,611	3,124
Miscellaneous					60,093	548	60,641	20
Total General Revenues					35,164,614	25,644	35,190,258	408,406
Transfers					100,000	(100,000)	-	-
Total General Revenues and Transfers					35,264,614	(74,356)	35,190,258	408,406
Change in Net Position					1,558,799	(990,029)	568,770	106,166
Net Position Beginning of Year					119,312,189	9,735,834	129,048,023	227,795
Net Position End of Year					\$ 120,870,988	\$ 8,745,805	\$ 129,616,793	\$ 333,961

See accompanying notes to the basic financial statements

Gordon County, Georgia
Balance Sheet
Governmental Funds
June 30, 2016

	General	Fire	2012 SPLOST Projects	2005 SPLOST Projects	Road Projects	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 21,786,536	\$ 781,754	\$ 13,077,753	\$ 505,380	\$ 77,153	\$ 1,009,002	\$ 37,237,578
Receivables							
Accounts	115,529	-	-	-	-	95,554	211,083
Property taxes	1,400,937	-	-	-	-	-	1,400,937
Sales taxes	468,438	-	675,467	-	-	-	1,143,905
Intergovernmental	128,752	2,099,215	-	-	-	53,733	2,281,700
Prepaid items	302,531	-	-	-	-	-	302,531
Total Assets	\$ 24,202,723	\$ 2,880,969	\$ 13,753,220	\$ 505,380	\$ 77,153	\$ 1,158,289	\$ 42,577,734
Liabilities							
Accounts payable	\$ 549,985	\$ 29,676	\$ -	-	\$ -	\$ 197,232	\$ 776,893
Accrued expenditures	211,252	52,686	-	-	-	19,613	283,551
Unearned revenue	-	-	-	-	-	48,624	48,624
Total Liabilities	761,237	82,362	-	-	-	265,469	1,109,068
Deferred Inflows of Resources - unavailable							
revenue - property taxes	1,318,278	-	-	-	-	-	1,318,278
revenue - GA. DOT	572,912	-	-	-	-	-	572,912
Total Deferred Inflows	1,891,190	-	-	-	-	-	1,891,190
Fund Balances:							
Nonspendable	302,531	-	-	-	-	-	302,531
Restricted	-	2,798,607	13,753,220	505,380	77,153	892,820	18,027,180
Committed	1,018,773	-	-	-	-	-	1,018,773
Unassigned	20,228,992	-	-	-	-	-	20,228,992
Total Fund Balances	21,550,296	2,798,607	13,753,220	505,380	77,153	892,820	39,577,476
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 24,202,723	\$ 2,880,969	\$ 13,753,220	\$ 505,380	\$ 77,153	\$ 1,158,289	\$ 42,577,734

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, 2016

Total Governmental Fund Balances	\$	39,577,476
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**Amounts Reported for Governmental Activities in the
Statement of Activities Are Different Because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Cost	\$ 162,840,684	
Less accumulated depreciation	<u>(70,575,200)</u>	92,265,484

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Property taxes	1,318,278
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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)	\$ (10,480,684)	
Accrued interest payable	(77,969)	
Compensated absences payable	(894,761)	
Other postemployment benefits payable	<u>(836,836)</u>	<u>(12,290,250)</u>

Net Position of Governmental Activities	\$	<u><u>120,870,988</u></u>
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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, 2016

	General	Fire	2012 SPLOST Projects	2005 SPLOST Projects	Road Projects	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 24,782,966	\$ 2,099,215	\$ 7,925,267	\$ -	\$ -	\$ 56,996	\$ 34,864,444
Licenses and permits	227,280	65,566	-	-	-	-	292,846
Intergovernmental	1,533,648	-	-	-	-	259,860	1,793,508
Charges for services	1,488,766	8	-	-	-	800,628	2,289,402
Fines and forfeitures	1,123,462	-	-	-	-	328,124	1,451,586
Investment earnings	61,421	2,260	34,201	1,732	209	1,834	101,657
Contributions and donations	13,110	500	-	-	-	-	13,610
Miscellaneous	507,082	2,640	-	-	-	-	509,722
Total Revenues	29,737,735	2,170,189	7,959,468	1,732	209	1,447,442	41,316,775
Expenditures							
Current							
General government	7,032,044	-	-	-	-	-	7,032,044
Judicial	3,183,229	-	-	-	-	197,933	3,381,162
Public safety	10,301,388	3,782,946	-	-	-	1,827,396	15,911,730
Highways and streets	2,641,337	-	-	-	-	-	2,641,337
Health and welfare	703,458	-	-	-	-	-	703,458
Culture and recreation	1,837,205	-	-	-	-	-	1,837,205
Conservation	192,751	-	-	-	-	-	192,751
Economic development	258,781	-	-	-	-	56,996	315,777
Planning and zoning	325,847	-	-	-	-	-	325,847
Intergovernmental	-	-	3,751,051	-	-	-	3,751,051
Capital Outlay	-	-	4,100,027	-	-	-	4,100,027
Debt Service							
Principal retirement	245,664	-	-	340,000	-	-	585,664
Interest and fiscal charges	176,624	-	-	242,600	-	-	419,224
Debt issuance costs	23,566	-	-	-	-	-	23,566
Total Expenditures	26,921,894	3,782,946	7,851,078	582,600	-	2,082,325	41,220,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,815,841	(1,612,757)	108,390	(580,868)	209	(634,883)	95,932
Other Financing Sources (Uses)							
Transfers in	235,000	2,103,699	-	-	-	701,033	3,039,732
Transfers out	(2,804,732)	-	-	-	-	(135,000)	(2,939,732)
Proceeds from the sale of capital assets	5,677	-	-	-	-	-	5,677
Inception of capital lease	1,800,000	-	-	-	-	-	1,800,000
Total Other Financing Sources (Uses)	(764,055)	2,103,699	-	-	-	566,033	1,905,677
Net Change in Fund Balances	2,051,786	490,942	108,390	(580,868)	209	(68,850)	2,001,609
Fund Balances Beginning of Year	19,498,510	2,307,665	13,644,830	1,086,248	76,944	961,670	37,575,867
Fund Balances End of Year	\$ 21,550,296	\$ 2,798,607	\$ 13,753,220	\$ 505,380	\$ 77,153	\$ 892,820	\$ 39,577,476

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, 2016

Net Changes In Fund Balances - Total Governmental Funds	\$	2,001,609
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**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	\$ (3,229,451)	
Capital outlay	<u>3,895,830</u>	666,379

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
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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 @ 6/30/16	\$ 1,318,278	
Deferred @ 6/30/15	<u>(1,149,423)</u>	168,855

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	\$ (2,933,637)	
Transfers out	<u>2,933,637</u>	-

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 @ 6/30/16	\$ (77,969)	
Liability @ 6/30/15	<u>73,603</u>	(4,366)

The inception of a capital lease is reported as an other financing source at the fund financial reporting level and as a liability on the statement of activities.		(1,800,000)
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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 @ 6/30/16	\$ (836,836)	
Liability @ 6/30/15	<u>773,249</u>	(63,587)

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 position. Includes the forgiveness of debt.		585,664
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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 @ 6/30/16	\$ (894,761)	
Liability @ 6/30/15	<u>890,100</u>	(4,661)

Change In Net Position of Governmental Activities	\$	<u><u>1,558,799</u></u>
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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, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 24,545,100	\$ 24,571,820	\$ 24,782,966	\$ 211,146
Licenses and permits	168,125	168,125	227,280	59,155
Intergovernmental	1,455,014	1,542,944	1,533,648	(9,296)
Charges for services	1,367,855	1,367,855	1,488,766	120,911
Fines and forfeitures	1,008,000	1,008,000	1,123,462	115,462
Investment earnings	25,000	25,000	61,421	36,421
Contributions and donations	16,250	16,250	13,110	(3,140)
Miscellaneous	444,153	444,153	507,082	62,929
Total Revenues	29,029,497	29,144,147	29,737,735	593,588
Expenditures				
Current				
General government	6,806,711	8,735,919	7,032,044	1,703,875
Judicial	3,546,045	3,597,236	3,183,229	414,007
Public safety	11,331,486	11,353,150	10,301,388	1,051,762
Highways and streets	3,141,836	3,152,619	2,641,337	511,282
Health and welfare	750,759	750,759	703,458	47,301
Culture and recreation	2,211,606	2,215,394	1,837,205	378,189
Conservation	225,132	226,589	192,751	33,838
Economic development	258,781	258,781	258,781	-
Planning and zoning	315,947	378,862	325,847	53,015
Debt Service				
Principal retirement	170,773	255,557	245,664	9,893
Interest and fiscal charges	140,122	185,477	176,624	8,853
Debt issuance costs	-	23,600	23,566	34
Total Expenditures	28,899,198	31,133,943	26,921,894	4,212,049
Excess (Deficiency) of Revenues Over (Under) Expenditures	130,299	(1,989,796)	2,815,841	4,805,637
Other Financing Sources (Uses)				
Transfers in	235,000	235,000	235,000	-
Transfers out	(2,804,732)	(2,804,732)	(2,804,732)	-
Proceeds from the sale of capital assets	22,500	22,500	5,677	(16,823)
Inception of capital lease	-	1,800,000	1,800,000	-
Total Other Financing Sources (Uses)	(2,547,232)	(747,232)	(764,055)	(16,823)
Net Change in Fund Balances	\$ (2,416,933)	\$ (2,737,028)	2,051,786	\$ 4,788,814
Fund Balances Beginning of Year			19,498,510	
Fund Balances End of Year			\$ 21,550,296	

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, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 1,840,000	\$ 1,840,000	\$ 2,099,215	\$ 259,215
Licenses and permits	41,000	41,000	65,566	24,566
Charges for services	-	-	8	8
Investment earnings	1,200	1,200	2,260	1,060
Contributions and donations	1,000	1,000	500	(500)
Miscellaneous	-	-	2,640	2,640
Total Revenues	1,883,200	1,883,200	2,170,189	286,989
Expenditures				
Current				
Public safety				
Personal services and benefits	3,671,549	3,685,537	3,268,109	417,428
Purchased and contracted services	280,600	263,194	216,717	46,477
Supplies	334,750	352,156	298,120	54,036
Total Expenditures	4,286,899	4,300,887	3,782,946	517,941
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,403,699)	(2,417,687)	(1,612,757)	804,930
Other Financing Sources				
Transfers in	2,103,699	2,103,699	2,103,699	-
Net Change in Fund Balances	\$ (300,000)	\$ (313,988)	490,942	\$ 804,930
Fund Balances Beginning of Year			2,307,665	
Fund Balances End of Year			\$ 2,798,607	

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 8,067,344	\$ 253,943	\$ 8,321,287
Receivables			
Accounts receivable	80,145	2,907	83,052
Total Current Assets	8,147,489	256,850	8,404,339
Noncurrent Assets			
Capital Assets			
Land	623,929	80,000	703,929
Depreciable, net	3,743,712	-	3,743,712
Total Noncurrent Assets	4,367,641	80,000	4,447,641
Total Assets	12,515,130	336,850	12,851,980
Liabilities			
Current Liabilities			
Accounts payable	5,785	2,171	7,956
Accrued salaries	-	619	619
Compensated absences payable	-	1,581	1,581
Closure and post-closure care payable	3,850	-	3,850
Total Current Liabilities	9,635	4,371	14,006
Long-Term Liabilities (net of current portion)			
Compensated absences payable	-	2,372	2,372
Closure and post-closure care payable	4,089,797	-	4,089,797
Total Long-Term Liabilities	4,089,797	2,372	4,092,169
Total Liabilities	4,099,432	6,743	4,106,175
Net Position			
Investment in capital assets	4,367,641	80,000	4,447,641
Unrestricted	4,048,057	250,107	4,298,164
Total Net Position	\$ 8,415,698	\$ 330,107	\$ 8,745,805

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, 2016

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Operating Revenues			
Sales	\$ -	\$ 178,863	\$ 178,863
Charges for services	293,954	-	293,954
Miscellaneous	-	548	548
Total Operating Revenues	293,954	179,411	473,365
Operating Expenses			
Personal services and benefits	-	57,978	57,978
Purchased and contracted services	75,137	18,169	93,306
Supplies	2,719	36,665	39,384
Closure and post-closure care	313,920	-	313,920
Depreciation	155,525	-	155,525
Depletion	728,377	-	728,377
Total Operating Expenses	1,275,678	112,812	1,388,490
Operating Income (Loss)	(981,724)	66,599	(915,125)
Non-Operating Revenues			
Investment earnings	24,409	687	25,096
Income (Loss) Before Transfers	(957,315)	67,286	(890,029)
Transfers out	(100,000)	-	(100,000)
Change in Net Position	(1,057,315)	67,286	(990,029)
Net Position Beginning of Year	9,473,013	262,821	9,735,834
Net Position End of Year	\$ 8,415,698	\$ 330,107	\$ 8,745,805

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash received from customers	\$ 308,646	\$ 176,504	\$ 485,150
Cash payments to employees for services and benefits	-	(59,605)	(59,605)
Cash payments for goods and services	(82,972)	(59,334)	(142,306)
Net Cash Provided by Operating Activities	225,674	57,565	283,239
Cash Flows from Noncapital Financing Activities			
Cash transfers out	(100,000)	-	(100,000)
Cash Flows from Investing Activities			
Investment earnings	24,409	687	25,096
Net Increase in Cash and Cash Equivalents	150,083	58,252	208,335
Cash and Cash Equivalents Beginning of Year	7,917,261	195,691	8,112,952
Cash and Cash Equivalents End of Year	\$ 8,067,344	\$ 253,943	\$ 8,321,287

(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, 2016

(Continued)

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (981,724)	\$ 66,599	\$ (915,125)
Adjustments			
Depreciation	155,525	-	155,525
Depletion	728,377	-	728,377
(Increase) Decrease in Assets			
Accounts receivable	14,690	(2,907)	11,783
Increase (Decrease) in Liabilities			
Accounts payable	(5,114)	(4,500)	(9,614)
Accrued salaries	-	(1,152)	(1,152)
Compensated absences payable	-	(475)	(475)
Closure and post-closure care	313,920	-	313,920
Net Cash Provided by Operating Activities	<u>\$ 225,674</u>	<u>\$ 57,565</u>	<u>\$ 283,239</u>

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2016

Assets

Cash and cash equivalents	\$ 975,626
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Liabilities

Due to others	\$ 975,626
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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, 2016

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Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

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, 2016 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, 2016

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, 2016

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 position, 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, 2016

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, 2016

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 credit and interest rate "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, 2016.

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 position, 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, 2016, 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 position 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 position and in the enterprise funds' statement of net position.

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, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

Description	Governmental	Business
	Activities	Activities
	<u>Estimated Lives</u>	<u>Estimated Lives</u>
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	-
Landfill cell space	-	62 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 position and the proprietary fund type statement of net position, 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, 2016

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. 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 is 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. 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.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies (Continued)

Items that do not result from the provision of goods or service 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.

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. 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, 2016

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, 2016 are as follows:

<u>Credit Risk</u>	<u>Value</u>	<u>Interest Risk</u>
AAAF rated	\$ 44,222,826	42 days WAM

The County had \$800 in cash on hand at June 30, 2016.

Primary Government Cash & Cash Equivalents:

Total cash and cash equivalents reported at June 30, 2016 consisted of the following:

Fund Reporting Level:

Governmental Funds - Balance Sheet - Unrestricted	\$ 37,237,578
Proprietary Fund Type Statement of Net Position	8,321,287
Statement of Fiduciary Assets and Liabilities	<u>975,626</u>
Total	<u><u>\$ 46,534,491</u></u>

3-B. Receivables

Receivables at June 30, 2016, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants and are reported net of allowance for doubtful accounts of \$1,052,140.

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 2016 is as follows:

Beginning of fiscal year for taxes	July 1, 2015
Millage rate adopted by ordinance	September 15, 2015
County Tax Digest approved by the State of Georgia	September 21, 2015
Real property tax bills and personal property tax bills rendered	September 24, 2015
Real property tax and personal property tax payments due date	December 20, 2015
Lien date	March 20, 2016

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the year ended June 30, 2016, was as follows:

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 18,761,203	\$ -	\$ -	\$ 18,761,203
Construction in progress	3,416,309	1,621,501	4,339,105	698,705
Total nondepreciable capital assets	22,177,512	1,621,501	4,339,105	19,459,908
Depreciable capital assets:				
Land improvements	11,121,879	428,470	-	11,550,349
Buildings	56,124,222	5,419,814	-	61,544,036
Machinery and equipment	14,227,352	765,149	203,960	14,788,541
Infrastructure	55,497,850	-	-	55,497,850
Total depreciable capital assets	136,971,303	6,613,433	203,960	143,380,776
Total capital assets	159,148,815	8,234,934	4,543,065	162,840,684
Accumulated depreciation:				
Land improvements	2,974,452	368,757	-	3,343,209
Buildings	12,286,470	1,443,670	-	13,730,140
Machinery and equipment	9,968,122	849,358	203,961	10,613,519
Infrastructure	42,320,666	567,666	-	42,888,332
Total accumulated depreciation	67,549,710	3,229,451	203,961	70,575,200
Governmental activities capital assets, net	\$ 91,599,105	\$ 5,005,483	\$ 4,339,104	\$ 92,265,484

Governmental activities depreciation expense

General government	\$ 386,496
Judicial	77,600
Public safety	1,599,723
Streets and highways	747,905
Culture and recreation	417,727
Total governmental activities depreciation expense	<u>\$ 3,229,451</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
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	-	17,336	4,017,299
Landfill cell space	15,834,276	-	-	15,834,276
Total depreciable capital assets	24,903,450	-	17,336	24,886,114
Total capital assets	25,607,379	-	17,336	25,590,043
Accumulated depreciation/depletion:				
Improvements	2,513,470	132,434	-	2,645,904
Buildings	474,440	23,092	-	497,532
Machinery and equipment	4,034,635	-	17,336	4,017,299
Landfill cell space	13,253,290	728,377	-	13,981,667
Total accumulated depreciation/depletion	20,275,835	883,903	17,336	21,142,402
Business-type activities capital assets, net	\$ 5,331,544	\$ (883,903)	\$ -	\$ 4,447,641

3-E. Interfund Balances and Transfers

Interfund Balances – There were no Interfund receivable and payable balances at June 30, 2016.

Interfund transfers for the year ended June 30, 2016, consisted of the following:

Transfers to:	Transfers from:			Total
	General fund	Solid Waste Management fund	Nonmajor governmental funds	
General fund	\$ -	\$ 100,000	\$ 135,000	\$ 235,000
Fire fund	2,103,699	-	-	2,103,699
Nonmajor governmental funds	701,033	-	-	701,033
Total	\$ 2,804,732	\$ 100,000	\$ 135,000	\$ 3,039,732

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.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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, 2016 are \$11,505,887.

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, 2016, in the amount of \$4,093,647 represents the cumulative amount reported to date based on the use of 19.20% of the estimated capacity of the landfill. The remaining estimated cost of closure and post closure in the amount of \$15,123,025 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 2016. 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 62 years, or until the year 2078.

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.

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 an increase from \$93,080 in the prior year to \$172,370, post closure expense recognized increased from \$46,201 in the prior year to \$141,550; and depletion recognized increased from \$617,537 in the prior year to \$728,377.

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.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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:

	Governmental Activities
Assets:	
Land	\$ 1,676,702
Land improvements	2,231,254
Buildings	45,935,457
Machinery and equipment	1,352,070
Less accumulated depreciation/amortization	<u>(11,520,625)</u>
Capital assets, net	<u><u>\$ 39,674,858</u></u>

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).

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
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	<u>565,000</u>	<u>11,300</u>	<u>576,300</u>
Total	<u><u>\$ 5,895,000</u></u>	<u><u>\$ 1,660,100</u></u>	<u><u>\$ 7,555,100</u></u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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 Year	Principal	Interest	Total
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>\$ 2,754,571</u>	<u>\$ 871,034</u>	<u>\$ 3,625,605</u>

Gordon County Government Plaza Lease - On August 18, 2015, the County entered into a capital lease purchase agreement at an interest rate of 2.930% with BB&T Government Finance to purchase the former BB&T bank building. The lease obligation is effective during the period from August 18, 2015 through August 1, 2030. Monthly payments began on November 1, 2015. Total payments for this project are \$2,227,846.81 (principal of \$1,800,000 and interest of \$427,846.81).

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2017	\$ 99,059	\$ 49,464	\$ 148,523
2018	101,994	46,529	148,523
2019	105,015	43,508	148,523
2020	108,126	40,397	148,523
2021	111,329	37,194	148,523
2022	114,627	33,896	148,523
2023	118,023	30,500	148,523
2024	121,519	27,004	148,523
2025	125,119	23,404	148,523
2026	128,825	19,698	148,523
2027	132,642	15,881	148,523
2028	136,571	11,952	148,523
2029	140,617	7,906	148,523
2030	144,782	3,741	148,523
2031	36,861	270	37,131
Total	<u>\$ 1,725,109</u>	<u>\$ 391,344</u>	<u>\$ 2,116,453</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

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 Year	Principal	Interest	Total
2017	\$ 633,428	\$ 409,693	\$ 1,043,121
2018	660,391	383,232	1,043,623
2019	687,895	355,630	1,043,525
2020	715,967	326,862	1,042,829
2021	744,631	296,900	1,041,531
2022	773,917	265,716	1,039,633
2023	808,855	233,182	1,042,037
2024	839,473	199,267	1,038,740
2025	875,806	163,938	1,039,744
2026	912,885	127,062	1,039,947
2027	950,748	88,603	1,039,351
2028	883,424	49,176	932,600
2029	705,617	19,206	724,823
2030	144,782	3,741	148,523
2031	36,861	270	37,131
Total	<u>\$ 10,374,680</u>	<u>\$ 2,922,478</u>	<u>\$ 13,297,158</u>

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2016:

	Outstanding 7/1/2015	Additions	Reductions	Outstanding 6/30/2016	Amounts Due in One Year
Governmental Activities					
Capital Leases	\$ 9,160,344	\$ 1,800,000	\$ 585,664	\$ 10,374,680	\$ 633,428
Unamortized Debt Premium	114,910	-	8,906	106,004	8,906
Net Capital Leases	9,275,254	1,800,000	594,570	10,480,684	642,334
Compensated Absences	890,100	789,656	784,995	894,761	356,040
Total Governmental Activities	<u>\$ 10,165,354</u>	<u>\$ 2,589,656</u>	<u>\$ 1,379,565</u>	<u>\$ 11,375,445</u>	<u>\$ 998,374</u>
Business-Type Activities					
Landfill Closure and Post-closure Care	\$ 3,779,727	\$ 313,920	\$ -	\$ 4,093,647	\$ 3,850
Compensated Absences	4,428	3,206	3,681	3,953	1,581
Total Business-Type Activities	<u>\$ 3,784,155</u>	<u>\$ 317,126</u>	<u>\$ 3,681</u>	<u>\$ 4,097,600</u>	<u>\$ 5,431</u>
Component Unit:					
Compensated Absences	<u>\$ 54,565</u>	<u>\$ 13,356</u>	<u>\$ 1,977</u>	<u>\$ 65,944</u>	<u>\$ 6,594</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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.

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, 2016, the amounts contributed were \$591,229 from employees and \$489,646 from the County’s following funds – General fund \$364,817, Special revenue funds \$122,978 and Proprietary fund \$1,851.

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, 2016, there is one retiree receiving benefits and 315 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, 2016

Note 3 - Detailed Notes on All Funds (Continued)

Annual OPEB Cost and Net OPEB Obligation – The following table for fiscal years 2012, 2013, 2014, 2015 and 2016 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, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
Annual Required Contribution:					
Normal cost	\$ 63,219	\$ 78,205	\$ 75,197	\$ 103,666	\$ 99,679
Amortization of unfunded accrued actuarial liability (UAAL)	51,943	63,396	58,069	80,936	74,525
Annual required contribution (ARC)	<u>\$ 115,162</u>	<u>\$ 141,601</u>	<u>\$ 133,266</u>	<u>\$ 184,602</u>	<u>\$ 174,204</u>
Net OPEB Obligation:					
Annual required contribution (ARC)	\$ 115,162	\$ 141,601	\$ 133,266	\$ 184,602	\$ 174,204
Interest on prior year net OPEB obligation	27,064	27,149	23,143	16,503	11,321
Adjustment to ARC	(42,043)	(39,251)	(33,459)	(23,860)	(16,367)
Annual OPEB cost	100,183	129,499	122,950	177,245	169,158
Contributions made	(36,596)	(34,975)	(22,805)	(11,247)	(39,591)
Increase in net OPEB obligation	63,587	94,524	100,145	165,998	129,567
Net OPEB obligation, beginning of year	773,249	678,725	578,580	412,582	283,015
Net OPEB obligation, end of year	<u>\$ 836,836</u>	<u>\$ 773,249</u>	<u>\$ 678,725</u>	<u>\$ 578,580</u>	<u>\$ 412,582</u>

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

Schedule of Funding Progress						
Measurement Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
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%
7/1/2014	-	1,096,249	0.0%	1,096,249	14,394,377	7.6%
7/1/2015	-	914,644	0.0%	914,644	14,597,266	6.3%

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, 2016

Note 3 - Detailed Notes on All Funds (Continued)

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

Fiscal Year Ended June 30,	Annual OPEB Cost	Annual OPEB Contribution	Percentage Contributed	Net OPEB Obligation
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
2015	129,499	34,975	27.0%	773,249
2016	100,183	36,596	36.5%	836,836

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, 2015	July 1, 2014	July 1, 2013	July 1, 2012	July 1, 2011
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	3.50% compounded annually	4% compounded annually	4% compounded annually	4% compounded annually	4% compounded annually
Assumed Inflation Rate	2.30%	2.50%	2.50%	2.75%	2.75%
Healthcare Cost Trend Rate	4.70%	5.40%	6.80%	7.9%	6.5%

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, 2016 is determined as follows:

	Governmental Activities	Business Type Activities
Net investment in capital assets:		
Cost of capital assets	\$ 162,840,684	\$ 25,590,043
Less accumulated depreciation	70,575,200	21,142,402
Book value	92,265,484	4,447,641
Less capital related debt	10,374,680	-
Less unamortized debt issuance premium	106,004	-
Net investment in capital assets	<u>\$ 81,784,800</u>	<u>\$ 4,447,641</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2016

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, 2016. The 2005 SPLOST capital projects have total expenditures to date of \$57,521,558 for 112.04% of estimated projects costs completed at June 30, 2016. The 2012 SPLOST capital projects have total expenditures to date of \$21,691,642 for 41.98% of estimated projects costs completed at June 30, 2016.

3-M. Fund Balances – Governmental Funds

As of June 30, 2016, fund balances are composed of the following:

	General Fund	Fire	2012 SPLOST Projects	2005 SPLOST Projects	Road Projects	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepays	\$ 302,531	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302,531
Restricted:							
Public Safety-Fire	-	2,798,607	-	-	-	-	2,798,607
Public Safety-E911	-	-	-	-	-	612,902	612,902
Public Safety-Sheriff	-	-	-	-	-	143,758	143,758
Judicial-Courts	-	-	-	-	-	136,160	136,160
Capital Projects	-	-	13,753,220	505,380	77,153	-	14,335,753
Committed:							
Health Insurance	1,018,773	-	-	-	-	-	1,018,773
Unassigned	20,228,992	-	-	-	-	-	20,228,992
Total fund balances	<u>\$ 21,550,296</u>	<u>\$ 2,798,607</u>	<u>\$ 13,753,220</u>	<u>\$ 505,380</u>	<u>\$ 77,153</u>	<u>\$ 892,820</u>	<u>\$ 39,577,476</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, 2016

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, 2016. 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, 2016 is \$223,820 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, 2016 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 (NWGR). Membership in NWGR is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the NWGR. Membership in the NWGR 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 NWGR. During fiscal year 2016, the County paid \$39,995 in dues to the NWGR. 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, 2016

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, 2016 follows:

Lodging tax receipts	<u>\$ 56,996</u>
Disbursements to:	
Industrial Development Authority	\$ 16,421
Chamber of Commerce	<u>40,575</u>
Total disbursements	<u>\$ 56,996</u>

Gordon County, Georgia
General Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	2016	2015
Assets		
Cash and cash equivalents	\$ 21,786,536	\$ 20,071,127
Receivables		
Accounts	115,529	129,149
Property taxes	1,400,937	1,467,512
Sales taxes	468,438	490,903
Intergovernmental	128,752	163,820
Prepaid items	302,531	333,078
Total Assets	\$ 24,202,723	\$ 22,655,589
Liabilities		
Accounts payable	\$ 549,985	\$ 878,982
Accrued expenditures	211,252	552,724
Total Liabilities	761,237	1,431,706
Deferred Inflows of		
Resources - unavailable:		
revenue - property taxes	1,318,278	1,149,423
revenue - GA. DOT future year funding	572,912	575,950
Total Deferred Inflows	1,891,190	1,725,373
Fund Balances:		
Nonspendable	302,531	333,078
Committed	1,018,773	1,018,773
Unassigned	20,228,992	18,146,659
Total Fund Balances	21,550,296	19,498,510
Total Liabilities, Deferred		
Inflows of Resources and		
Fund Balances	\$ 24,202,723	\$ 22,655,589

Gordon County, Georgia
General Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2016 and 2015

	2016	2015
Revenues		
Taxes	\$ 24,782,966	\$ 24,478,816
Licenses and permits	227,280	215,542
Intergovernmental	1,533,648	1,185,832
Charges for services	1,488,766	1,442,242
Fines and forfeitures	1,123,462	1,092,654
Investment earnings	61,421	33,514
Contributions and donations	13,110	26,117
Miscellaneous	507,082	511,585
Total Revenues	29,737,735	28,986,302
Expenditures		
Current		
General government	7,032,044	5,149,334
Judicial	3,183,229	3,143,177
Public safety	10,301,388	10,373,582
Highways and streets	2,641,337	2,662,529
Health and welfare	703,458	717,301
Culture and recreation	1,837,205	1,794,219
Conservation	192,751	196,458
Economic development	258,781	258,539
Planning and zoning	325,847	274,978
Debt Service		
Principal retirement	245,664	492,589
Interest and fiscal charges	176,624	403,479
Debt issuance costs	23,566	-
Total Expenditures	26,921,894	25,466,185
Excess of Revenues Over Expenditures	2,815,841	3,520,117
Other Financing Sources (Uses)		
Transfers in	235,000	120,125
Transfers out	(2,804,732)	(2,813,512)
Proceeds from the sale of capital assets	5,677	8,377
Inception of capital lease	1,800,000	-
Total Other Financing Sources (Uses)	(764,055)	(2,685,010)
Net Change in Fund Balances	2,051,786	835,107
Fund Balances Beginning of Year	19,498,510	18,663,403
Fund Balances End of Year	\$ 21,550,296	\$ 19,498,510

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
General property taxes					
Current year levy	\$ 14,167,100	\$ 14,193,820	\$ 15,041,275	\$ 847,455	\$ 14,067,013
Prior years' levies	857,000	857,000	606,705	(250,295)	895,022
Motor vehicle tax	850,000	850,000	597,598	(252,402)	705,319
Motor vehicle title tax	1,100,000	1,100,000	1,359,528	259,528	1,279,341
Mobile home tax	25,000	25,000	39,260	14,260	35,066
Penalties and interest - delinquent taxes	460,000	460,000	360,092	(99,908)	533,983
Total general property taxes	17,459,100	17,485,820	18,004,458	518,638	17,515,744
Other taxes					
Local option sales tax	5,800,000	5,800,000	5,497,138	(302,862)	5,797,474
Excise tax	600,000	600,000	518,466	(81,534)	400,977
Alcohol beverage tax	170,000	170,000	171,869	1,869	167,378
Real estate transfers tax	230,000	230,000	259,652	29,652	282,686
Financial institution business occupation tax	74,000	74,000	71,871	(2,129)	72,139
Franchise tax	212,000	212,000	259,512	47,512	242,418
Total other taxes	7,086,000	7,086,000	6,778,508	(307,492)	6,963,072
Total taxes	24,545,100	24,571,820	24,782,966	211,146	24,478,816
Licenses and permits					
Alcohol	35,000	35,000	33,650	(1,350)	33,250
Inspection fees	130,000	130,000	180,870	50,870	175,876
Other	3,125	3,125	12,760	9,635	6,416
Total licenses and permits	168,125	168,125	227,280	59,155	215,542
Fines and forfeitures					
Judge of probate court	600,000	600,000	772,273	172,273	668,200
Clerk of superior court	250,000	250,000	211,372	(38,628)	258,137
Magistrate court	150,000	150,000	131,330	(18,670)	157,210
Juvenile court	2,000	2,000	2,336	336	2,877
Child support	6,000	6,000	6,151	151	6,230
Total fines and forfeitures	\$ 1,008,000	\$ 1,008,000	\$ 1,123,462	\$ 115,462	\$ 1,092,654

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental					
State Department of Transportation	\$ 575,950	\$ 575,950	\$ 575,950	\$ -	\$ 667,037
Section 5311 grant	98,240	98,240	92,172	(6,068)	90,636
DCA-CDBG-grant	425,000	425,000	464,937	39,937	35,063
George Chambers Project Reimbursement	-	65,430	34,558	(30,872)	-
Other grants	80,824	103,324	84,136	(19,188)	114,506
Federal payment in lieu of taxes	275,000	275,000	281,895	6,895	278,590
Total intergovernmental	1,455,014	1,542,944	1,533,648	(9,296)	1,185,832
Charges for services					
Court costs	173,500	173,500	186,190	12,690	160,131
Recording fees	126,000	126,000	136,610	10,610	136,613
Sheriff	213,500	213,500	189,348	(24,152)	227,653
Recreation fees	128,050	128,050	156,358	28,308	148,438
Animal control fees	38,000	38,000	41,284	3,284	33,145
Street repairs and paving service fees	2,000	2,000	2,678	678	2,738
Commissions	625,850	625,850	711,965	86,115	681,664
Other	60,955	60,955	64,333	3,378	51,860
Total charges for services	1,367,855	1,367,855	1,488,766	120,911	1,442,242
Investment earnings	25,000	25,000	61,421	36,421	33,514
Contributions and donations	16,250	16,250	13,110	(3,140)	26,117
Miscellaneous revenues					
Pipe and lumber sales	9,500	9,500	15,369	5,869	15,888
Rent	432,153	432,153	434,230	2,077	434,151
Miscellaneous	2,500	2,500	57,483	54,983	61,546
Total miscellaneous revenues	444,153	444,153	507,082	62,929	511,585
Total Revenues	\$ 29,029,497	\$ 29,144,147	\$ 29,737,735	\$ 593,588	\$ 28,986,302

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures					
Current					
General government					
Elections and voter registration					
Personal services and benefits	\$ 173,274	\$ 173,857	\$ 151,955	\$ 21,902	\$ 151,571
Purchased and contracted services	22,660	19,140	12,681	6,459	14,245
Supplies	3,425	6,945	6,601	344	6,974
Total elections and voter registration	199,359	199,942	171,237	28,705	172,790
County administrator					
Personal services and benefits	184,510	185,093	169,958	15,135	170,071
Purchased and contracted services	10,800	9,940	5,534	4,406	6,015
Supplies	4,050	4,910	3,170	1,740	1,891
Total county administrator	199,360	199,943	178,662	21,281	177,977
Finance department					
Personal services and benefits	491,366	493,406	466,382	27,024	471,222
Purchased and contracted services	149,225	145,425	109,541	35,884	126,244
Supplies	7,950	11,750	11,226	524	11,194
Total finance department	648,541	650,581	587,149	63,432	608,660
Board of commissioners					
Personal services and benefits	128,248	129,945	116,837	13,108	116,728
Purchased and contracted services	85,400	85,150	69,944	15,206	69,568
Supplies	6,600	6,850	5,721	1,129	3,931
Total board of commissioners	220,248	221,945	192,502	29,443	190,227
County clerk					
Personal services and benefits	76,428	76,860	76,859	1	76,707
Purchased and contracted services	6,945	6,704	3,441	3,263	2,217
Supplies	1,400	1,500	490	1,010	1,042
Total county clerk	84,773	85,064	80,790	4,274	79,966
Human resources					
Personal services and benefits	191,453	192,036	185,102	6,934	186,333
Purchased and contracted services	13,200	13,141	9,031	4,110	11,855
Supplies	7,600	7,659	6,317	1,342	2,955
Total human resources	\$ 212,253	\$ 212,836	\$ 200,450	\$ 12,386	\$ 201,143

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Vehicle maintenance					
Personal services and benefits	\$ 380,494	\$ 382,243	\$ 359,865	\$ 22,378	\$ 353,403
Purchased and contracted services	15,600	15,715	13,809	1,906	10,026
Supplies	25,575	25,460	22,996	2,464	24,570
Total vehicle maintenance	421,669	423,418	396,670	26,748	387,999
County attorney's office					
Personal services and benefits	108,311	108,602	107,637	965	-
Purchased and contracted services	9,865	8,965	8,352	613	-
Supplies	5,800	6,700	2,677	4,023	-
Total county attorney's office	123,976	124,267	118,666	5,601	-
Information technology					
Personal services and benefits	216,475	217,349	207,257	10,092	198,650
Purchased and contracted services	141,875	125,263	97,799	27,464	61,731
Supplies	51,400	68,012	62,716	5,296	42,328
Total information technology	409,750	410,624	367,772	42,852	302,709
Tax commissioner					
Personal services and benefits	778,993	783,310	692,067	91,243	694,582
Purchased and contracted services	107,600	106,325	87,813	18,512	77,876
Supplies	16,150	17,425	15,228	2,197	8,329
Total tax commissioner	902,743	907,060	795,108	111,952	780,787
Tax appraiser/assessor					
Personal services and benefits	454,572	457,195	403,038	54,157	389,872
Purchased and contracted services	151,000	152,358	149,681	2,677	122,343
Supplies	29,400	28,042	25,427	2,615	17,361
Total appraiser/assessor	\$ 634,972	\$ 637,595	\$ 578,146	\$ 59,449	\$ 529,576

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Intergovernmental					
Personal services and benefits	\$ 466,502	\$ 472,547	\$ 452,083	\$ 20,464	\$ 431,201
Purchased and contracted services	578,400	606,797	489,740	117,057	564,355
Capital outlay	875,000	2,682,387	1,690,824	991,563	36,413
Total intergovernmental	1,919,902	3,761,731	2,632,647	1,129,084	1,031,969
Public buildings and grounds					
Personal services and benefits	264,078	265,535	238,862	26,673	242,621
Purchased and contracted services	246,300	248,357	205,646	42,711	184,200
Supplies	186,400	254,343	181,066	73,277	144,125
Total public buildings and grounds	696,778	768,235	625,574	142,661	570,946
Geographic information system					
Personal services and benefits	68,612	68,903	65,144	3,759	65,852
Purchased and contracted services	51,275	51,275	36,251	15,024	37,987
Supplies	12,500	12,500	5,276	7,224	10,746
Total geographic information system	132,387	132,678	106,671	26,007	114,585
Total general government	6,806,711	8,735,919	7,032,044	1,703,875	5,149,334
Judicial					
Probate court					
Personal services and benefits	398,878	401,156	385,684	15,472	359,749
Purchased and contracted services	44,975	44,992	42,253	2,739	38,260
Supplies	16,975	16,958	15,833	1,125	7,477
Total probate court	460,828	463,106	443,770	19,336	405,486
Juvenile court					
Personal services and benefits	411,086	413,126	407,929	5,197	428,100
Purchased and contracted services	222,300	223,145	143,246	79,899	163,672
Supplies	18,900	18,055	5,807	12,248	7,722
Total juvenile court	\$ 652,286	\$ 654,326	\$ 556,982	\$ 97,344	\$ 599,494

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Juvenile court- Adjust program					
Personal services and benefits	\$ 65,064	\$ 65,355	\$ 49,043	\$ 16,312	\$ 38,393
Purchased and contracted services	10,600	10,600	6,666	3,934	5,961
Supplies	21,700	21,700	11,151	10,549	14,013
Total juvenile court	97,364	97,655	66,860	30,795	58,367
Superior court					
Personal services and benefits	254,134	288,139	265,771	22,368	229,076
Purchased and contracted services	130,615	129,615	85,880	43,735	75,938
Supplies	10,035	11,035	5,828	5,207	23,116
Total superior court	394,784	428,789	357,479	71,310	328,130
Magistrate court					
Personal services and benefits	484,182	487,487	429,081	58,406	458,178
Purchased and contracted services	34,460	34,160	21,549	12,611	24,388
Supplies	22,125	21,925	16,113	5,812	16,358
Capital outlay	24,000	24,500	24,485	15	-
Total magistrate court	564,767	568,072	491,228	76,844	498,924
Clerk of superior court					
Personal services and benefits	590,389	594,124	549,592	44,532	546,442
Purchased and contracted services	80,816	80,986	69,933	11,053	63,351
Supplies	33,200	33,030	22,905	10,125	28,073
Total clerk of superior court	704,405	708,140	642,430	65,710	637,866
District attorney					
Personal services and benefits	395,183	399,263	355,662	43,601	353,027
Purchased and contracted services	23,250	23,541	20,096	3,445	17,750
Supplies	14,050	13,759	11,925	1,834	14,750
Total district attorney	432,483	436,563	387,683	48,880	385,527
Public defender					
Personal services and benefits	7,170	8,627	8,627	-	7,170
Purchased and contracted services	226,058	225,703	222,155	3,548	215,943
Supplies	5,900	6,255	6,015	240	6,270
Total public defender	239,128	240,585	236,797	3,788	229,383
Total judicial	\$ 3,546,045	\$ 3,597,236	\$ 3,183,229	\$ 414,007	\$ 3,143,177

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Public safety					
Coroner					
Personal services and benefits	\$ 44,220	\$ 47,317	\$ 46,820	\$ 497	\$ 46,070
Purchased and contracted services	25,100	25,491	15,536	9,955	8,696
Supplies	20,250	17,119	10,642	6,477	11,716
Total coroner	89,570	89,927	72,998	16,929	66,482
Sheriff enforcement					
Personal services and benefits	5,338,730	5,307,830	4,937,644	370,186	5,073,013
Purchased and contracted services	201,085	225,213	201,507	23,706	189,013
Supplies	578,476	560,348	428,490	131,858	487,582
Total sheriff enforcement	6,118,291	6,093,391	5,567,641	525,750	5,749,608
Sheriff - jail					
Personal services and benefits	2,844,788	2,859,359	2,564,268	295,091	2,555,222
Purchased and contracted services	987,600	996,497	966,359	30,138	909,761
Supplies	361,000	352,282	324,859	27,423	317,540
Total sheriff - jail	4,193,388	4,208,138	3,855,486	352,652	3,782,523
Emergency management					
Personal services and benefits	158,236	158,527	85,597	72,930	116,025
Purchased and contracted services	65,380	95,380	64,932	30,448	46,658
Supplies	57,399	57,399	32,692	24,707	57,388
Total emergency management	281,015	311,306	183,221	128,085	220,071
Ambulance service	314,000	314,000	314,000	-	314,000
Georgia state patrol	10,280	10,280	9,030	1,250	2,131
Animal control					
Personal services and benefits	189,750	190,916	183,295	7,621	161,090
Purchased and contracted services	69,742	68,767	55,387	13,380	45,751
Supplies	35,950	38,806	32,711	6,095	31,926
Capital outlay	29,500	27,619	27,619	-	-
Total animal control	324,942	326,108	299,012	27,096	238,767
Total public safety	\$ 11,331,486	\$ 11,353,150	\$ 10,301,388	\$ 1,051,762	\$ 10,373,582

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Highways and streets					
Personal services and benefits	\$ 2,014,135	\$ 2,024,918	\$ 1,669,655	\$ 355,263	\$ 1,714,105
Purchased and contracted services	138,700	166,700	119,002	47,698	124,608
Supplies	989,001	961,001	852,680	108,321	787,294
Capital outlay	-	-	-	-	36,522
Total highways and streets	3,141,836	3,152,619	2,641,337	511,282	2,662,529
Health and welfare					
Health					
Board of Health	405,262	405,262	404,977	285	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	473,227	285	473,512
Welfare					
Coosa Valley Regional Service 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	5,000	5,000	5,000	-	2,730
Section 5311 Public Transportation	196,481	196,481	149,465	47,016	157,293
Winners Club	4,550	4,550	4,550	-	4,550
Cherokee Capital Fair Association	4,550	4,550	4,550	-	12,550
George Chambers Resource Center	8,908	8,908	8,908	-	8,908
Total other	273,971	273,971	226,955	47,016	240,513
Total health and welfare	\$ 750,759	\$ 750,759	\$ 703,458	\$ 47,301	\$ 717,301

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Culture and recreation					
Parks and recreation					
Personal services and benefits	\$ 610,510	\$ 613,424	\$ 505,756	\$ 107,668	\$ 499,101
Purchased and contracted services	170,320	170,320	131,983	38,337	127,529
Supplies	363,900	363,900	251,553	112,347	286,493
Capital outlay	40,800	40,800	28,470	12,330	-
Total parks and recreation	1,185,530	1,188,444	917,762	270,682	913,123
Salacoa creek park					
Personal services and benefits	65,145	65,436	65,326	110	66,707
Purchased and contracted services	27,500	27,307	19,532	7,775	21,986
Supplies	66,700	66,893	58,266	8,627	50,142
Total salacoa creek park	159,345	159,636	143,124	16,512	138,835
Battlefield parks					
Personal services and benefits	53,740	36,640	2,303	34,337	-
Purchased and contracted services	18,900	18,900	7,777	11,123	6,089
Supplies	11,700	28,800	16,693	12,107	25
Capital outlay	-	-	-	-	26,762
Total battlefield parks	84,340	84,340	26,773	57,567	32,876
Senior center					
Personal services and benefits	91,699	92,282	86,751	5,531	89,444
Purchased and contracted services	8,515	8,129	7,593	536	6,076
Supplies	23,475	23,861	22,988	873	17,646
Total senior center	123,689	124,272	117,332	6,940	113,166
Gordon County library	250,308	250,308	223,820	26,488	199,587
Arts Council	4,550	4,550	4,550	-	4,550
City of Calhoun recreation department	403,844	403,844	403,844	-	392,082
Total culture and recreation	2,211,606	2,215,394	1,837,205	378,189	1,794,219
Conservation					
County extension service					
Personal services and benefits	124,032	125,489	121,404	4,085	117,541
Purchased and contracted services	11,650	11,650	9,432	2,218	9,785
Supplies	6,250	6,250	4,155	2,095	4,819
Total county extension service	\$ 141,932	\$ 143,389	\$ 134,991	\$ 8,398	\$ 132,145

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Other					
Timber protection	\$ 10,500	\$ 10,500	\$ 10,500	\$ -	\$ 10,500
DNR law enforcement division	1,200	1,200	358	842	961
AG center & Livestock pavilion	71,500	71,500	46,902	24,598	52,852
Total other	83,200	83,200	57,760	25,440	64,313
Total conservation	225,132	\$ 226,589	\$ 192,751	\$ 33,838	\$ 196,458
Economic development					
Airport Authority	148,781	148,781	148,781	-	148,781
Gordon County Development Authority	110,000	110,000	110,000	-	109,758
Total economic development	258,781	258,781	258,781	-	258,539
Planning and zoning					
Building and planning					
Personal services and benefits	193,796	194,670	191,651	3,019	190,368
Purchased and contracted services	15,810	15,810	5,326	10,484	4,364
Supplies	16,390	16,390	9,361	7,029	7,219
Total building and planning	225,996	226,870	206,338	20,532	201,951
Planning commission					
Personal services and benefits	5,168	5,168	3,428	1,740	4,056
Purchased and contracted services	1,000	1,000	703	297	846
Supplies	75	75	-	75	6
Total planning commission	6,243	6,243	4,131	2,112	4,908
Historic preservation commission					
Personal services and benefits	5,168	5,168	3,987	1,181	4,827
Purchased and contracted services	1,300	1,300	-	1,300	-
Supplies	50	50	-	50	-
Total historic preservation commission	\$ 6,518	\$ 6,518	\$ 3,987	\$ 2,531	\$ 4,827

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Ordinance enforcement					
Personal services and benefits	\$ -	\$ 49,325	\$ 43,665	\$ 5,660	\$ -
Purchased and contracted services	-	3,710	2,356	1,354	-
Supplies	-	8,715	4,105	4,610	-
Total ordinance enforcement	-	61,750	50,126	11,624	-
Planning and development					
Personal services and benefits	57,760	58,051	58,007	44	57,993
Purchased and contracted services	17,060	17,060	2,779	14,281	4,572
Supplies	2,370	2,370	479	1,891	727
Total planning and development	77,190	77,481	61,265	16,216	63,292
Total planning and zoning	315,947	378,862	325,847	53,015	274,978
Debt service					
Principal	170,773	255,557	245,664	9,893	492,589
Interest and fiscal charges	140,122	185,477	176,624	8,853	403,479
Debt issuance costs	-	23,600	23,566	34	-
Total debt service	310,895	464,634	445,854	18,780	896,068
Total Expenditures	\$ 28,899,198	\$ 31,133,943	\$ 26,921,894	\$ 4,212,049	\$ 25,466,185

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 130,299</u>	<u>\$ (1,989,796)</u>	<u>\$ 2,815,841</u>	<u>\$ 4,805,637</u>	<u>\$ 3,520,117</u>
Other Financing Sources (Uses)					
Transfers in					
Special revenue funds	135,000	135,000	135,000	-	120,125
Enterprise funds	100,000	100,000	100,000	-	-
Transfers out					
Special revenue funds	(2,804,732)	(2,804,732)	(2,804,732)	-	(2,813,512)
Proceeds from the					
sale of capital assets	22,500	22,500	5,677	(16,823)	8,377
Inception of capital lease	-	1,800,000	1,800,000	-	-
Total Other Financing Sources (Uses)	<u>(2,547,232)</u>	<u>(747,232)</u>	<u>(764,055)</u>	<u>(16,823)</u>	<u>(2,685,010)</u>
Net Change in Fund Balances	<u><u>\$ (2,416,933)</u></u>	<u><u>\$ (2,737,028)</u></u>	<u>2,051,786</u>	<u><u>\$ 4,788,814</u></u>	<u>835,107</u>
Fund Balances Beginning of Year			<u>19,498,510</u>		<u>18,663,403</u>
Fund Balances End of Year			<u><u>\$ 21,550,296</u></u>		<u><u>\$ 19,498,510</u></u>

Gordon County, Georgia
Fire Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 781,754	\$ 474,922
Receivables		
Accounts	-	200
Intergovernmental	<u>2,099,215</u>	<u>1,972,703</u>
Total Assets	<u><u>\$ 2,880,969</u></u>	<u><u>\$ 2,447,825</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 29,676	\$ 29,709
Accrued expenditures	<u>52,686</u>	<u>110,451</u>
Total Liabilities	82,362	140,160
Fund Balances:		
Restricted for public safety - fire services	<u>2,798,607</u>	<u>2,307,665</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,880,969</u></u>	<u><u>\$ 2,447,825</u></u>

Gordon County, Georgia
Fire Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2016 and 2015

	2016	2015
Revenues		
Taxes	\$ 2,099,215	\$ 1,972,703
Licenses and permits	65,566	52,314
Charges for services	8	4
Investment earnings	2,260	1,597
Contributions and donations	500	8,000
Miscellaneous	2,640	-
Total Revenues	<u>2,170,189</u>	<u>2,034,618</u>
Expenditures		
Current		
Public safety		
Personal services and benefits	3,268,109	3,367,665
Purchased and contracted services	216,717	221,763
Supplies	298,120	269,628
Total Expenditures	<u>3,782,946</u>	<u>3,859,056</u>
(Deficiency) of Revenues (Under) Expenditures	(1,612,757)	(1,824,438)
Other Financing Sources		
Transfers in	<u>2,103,699</u>	<u>2,155,053</u>
Net Change in Fund Balances	490,942	330,615
Fund Balances Beginning of Year	<u>2,307,665</u>	<u>1,977,050</u>
Fund Balances End of Year	<u><u>\$ 2,798,607</u></u>	<u><u>\$ 2,307,665</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,840,000	\$ 1,840,000	\$ 2,099,215	\$ 259,215	\$ 1,972,703
Licenses and permits	41,000	41,000	65,566	24,566	52,314
Charges for services	-	-	8	8	4
Investment earnings	1,200	1,200	2,260	1,060	1,597
Contributions and donations	1,000	1,000	500	(500)	8,000
Miscellaneous	-	-	2,640	2,640	-
Total Revenues	1,883,200	1,883,200	2,170,189	286,989	2,034,618
Expenditures					
Current					
Public safety					
Personal services and benefits	3,671,549	3,685,537	3,268,109	417,428	3,367,665
Purchased and contracted services	280,600	263,194	216,717	46,477	221,763
Supplies	334,750	352,156	298,120	54,036	269,628
Total Expenditures	4,286,899	4,300,887	3,782,946	517,941	3,859,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,403,699)	(2,417,687)	(1,612,757)	804,930	(1,824,438)
Other Financing Sources					
Transfers in	2,103,699	2,103,699	2,103,699	-	2,155,053
Net Change in Fund Balances	\$ (300,000)	\$ (313,988)	490,942	\$ 804,930	330,615
Fund Balances Beginning of Year			2,307,665		1,977,050
Fund Balances End of Year			\$ 2,798,607		\$ 2,307,665

Gordon County, Georgia
2012 SPLOST Projects Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 13,077,753	\$ 13,156,996
Sales taxes receivable	<u>675,467</u>	<u>707,731</u>
Total Assets	<u><u>\$ 13,753,220</u></u>	<u><u>\$ 13,864,727</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 219,897
Fund Balances		
Restricted for capital projects	<u>13,753,220</u>	<u>13,644,830</u>
Total Liabilities and Fund Balances	<u><u>\$ 13,753,220</u></u>	<u><u>\$ 13,864,727</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, 2016 and 2015

	2016	2015
Revenues		
Taxes	\$ 7,925,267	\$ 8,359,657
Investment earnings	34,201	18,334
Total Revenues	<u>7,959,468</u>	<u>8,377,991</u>
Expenditures		
Intergovernmental	3,751,051	1,956,372
Capital Outlay	4,100,027	4,227,574
Total Expenditures	<u>7,851,078</u>	<u>6,183,946</u>
Excess of Revenues Over Expenditures	108,390	2,194,045
Fund Balances Beginning of Year	<u>13,644,830</u>	<u>11,450,785</u>
Fund Balances End of Year	<u><u>\$ 13,753,220</u></u>	<u><u>\$ 13,644,830</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 8,250,000	\$ 8,250,000	\$ 7,925,267	\$ (324,733)	\$ 8,359,657
Investment earnings	8,000	7,201	34,201	27,000	18,334
Total Revenues	<u>8,258,000</u>	<u>8,257,201</u>	<u>7,959,468</u>	<u>(297,733)</u>	<u>8,377,991</u>
Expenditures					
Intergovernmental	2,956,372	3,956,372	3,751,051	205,321	1,956,372
Capital Outlay	7,823,944	6,823,145	4,100,027	2,723,118	4,227,574
Total Expenditures	<u>10,780,316</u>	<u>10,779,517</u>	<u>7,851,078</u>	<u>2,928,439</u>	<u>6,183,946</u>
Excess of Revenues (Deficiency) Over (Under) Expenditures	<u>\$ (2,522,316)</u>	<u>\$ (2,522,316)</u>	108,390	<u>\$ 2,630,706</u>	2,194,045
Fund Balances Beginning of Year			<u>13,644,830</u>		<u>11,450,785</u>
Fund Balances End of Year			<u>\$ 13,753,220</u>		<u>\$ 13,644,830</u>

Gordon County, Georgia
2005 SPLOST Projects Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 505,380	\$ 1,086,248
	<u> </u>	<u> </u>
Fund Balances		
Restricted for capital projects	\$ 505,380	\$ 1,086,248
	<u> </u>	<u> </u>

Gordon County, Georgia
2005 SPLOST Projects Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2016 and 2015

	2016	2015
Revenues		
Investment earnings	\$ 1,732	\$ 2,753
Expenditures		
Capital Outlay	-	1,287,576
Debt Service		
Principal retirement	340,000	-
Interest and fiscal charges	242,600	-
Total Expenditures	582,600	1,287,576
(Deficiency) of Revenues (Under) Expenditures	(580,868)	(1,284,823)
Fund Balances Beginning of Year	1,086,248	2,371,071
Fund Balances End of Year	\$ 505,380	\$ 1,086,248

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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Investment earnings	\$ 250	\$ 250	\$ 1,732	\$ 1,482	\$ 2,753
Expenditures					
Capital Outlay	-	-	-	-	1,287,576
Debt Service					
Principal retirement	340,000	340,000	340,000	-	-
Interest and fiscal charges	242,600	242,600	242,600	-	-
Total Expenditures	582,600	582,600	582,600	-	1,287,576
(Deficiency) of Revenues (Under) Expenditures	\$ (582,350)	\$ (582,350)	(580,868)	\$ 1,482	(1,284,823)
Fund Balances Beginning of Year			1,086,248		2,371,071
Fund Balances End of Year			\$ 505,380		\$ 1,086,248

Gordon County, Georgia
Road Projects Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 77,153	\$ 76,944
Fund Balances		
Restricted for capital projects	\$ 77,153	\$ 76,944

Gordon County, Georgia
Road Projects Fund
Comparative Statements of Revenues and
Changes in Fund Balances
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Investment earnings	\$ 209	\$ 117
Fund Balances Beginning of Year	<u>76,944</u>	<u>76,827</u>
Fund Balances End of Year	<u>\$ 77,153</u>	<u>\$ 76,944</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Investment earnings	\$ 23	\$ 23	\$ 209	\$ 186	\$ 117
Expenditures					
Intergovernmental	43,096	43,096	-	43,096	-
Capital Outlay	33,734	33,734	-	33,734	-
Total Expenditures	76,830	76,830	-	76,830	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (76,807)	\$ (76,807)	209	\$ 77,016	117
Fund Balances Beginning of Year			76,944		76,827
Fund Balances End of Year			\$ 77,153		\$ 76,944

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Net Position
June 30, 2016 and 2015

	2016	2015
Assets		
Current Assets		
Cash and cash equivalents	\$ 8,067,344	\$ 7,917,261
Receivables (net of allowance for doubtful accounts)		
Accounts receivable	80,145	94,835
Total Current Assets	8,147,489	8,012,096
Noncurrent Assets		
Capital Assets		
Land	623,929	623,929
Depreciable, net	3,743,712	4,627,615
Total Noncurrent Assets	4,367,641	5,251,544
Total Assets	12,515,130	13,263,640
Liabilities		
Current Liabilities		
Accounts payable	5,785	10,900
Closure and post-closure care payable	3,850	3,850
Total Current Liabilities	9,635	14,750
Long-Term Liabilities		
Closure and post-closure care payable (net of current portion)	4,089,797	3,775,877
Total Liabilities	4,099,432	3,790,627
Net Position		
Investments in capital assets	4,367,641	5,251,544
Unrestricted	4,048,057	4,221,469
Total Net Position	\$ 8,415,698	\$ 9,473,013

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating Revenues		
Charges for services	\$ 293,954	\$ 300,738
Operating Expenses		
Landfill Operations		
Purchased and contracted services	68,907	51,692
Supplies	2,719	2,548
Total Landfill Operations	71,626	54,240
Compactor Sites		
Purchased and contracted services	6,230	6,095
Unclassified		
Closure	172,370	93,080
Post closure	141,550	46,201
Depreciation	155,525	155,525
Depletion	728,377	617,537
Total Unclassified	1,197,822	912,343
Total Operating Expenses	1,275,678	972,678
Operating Income (Loss)	(981,724)	(671,940)

(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, 2016 and 2015

(Continued)

	<u>2016</u>	<u>2015</u>
Non-Operating Revenues		
Investment earnings	\$ 24,409	\$ 13,882
(Loss) Before Transfers Out	(957,315)	(658,058)
Transfers out	(100,000)	-
Change in Net Position	(1,057,315)	(658,058)
Net Position Beginning of Year	9,473,013	10,131,071
Net Position End of Year	<u>\$ 8,415,698</u>	<u>\$ 9,473,013</u>

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Cash Flows
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 308,646	\$ 366,059
Cash payments for goods and services	(82,972)	(54,370)
Net Cash Provided by Operating Activities	<u>225,674</u>	<u>311,689</u>
Cash Flows from Noncapital Financing Activities		
Cash received for interfund advance	-	400,000
Cash transfers out	(100,000)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(100,000)</u>	<u>400,000</u>
Cash Flows from Investing Activities		
Investment earnings	24,409	13,883
Net Cash Provided by Investing Activities	<u>24,409</u>	<u>13,883</u>
Net Increase in Cash and Cash Equivalents	150,083	725,572
Cash and Cash Equivalents Beginning of Year	<u>7,917,261</u>	<u>7,191,689</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 8,067,344</u></u>	<u><u>\$ 7,917,261</u></u>

(Continued)

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Cash Flows (Continued)
For the Years Ended June 30, 2016 and 2015

(Continued)

	<u>2016</u>	<u>2015</u>
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities		
Operating (Loss)	\$ (981,724)	\$ (671,940)
Adjustments		
Depreciation	155,525	155,525
Depletion	728,377	617,537
(Increase) Decrease in Assets		
Accounts receivable	14,690	65,321
Increase (Decrease) in Liabilities		
Accounts payable	(5,114)	5,965
Closure and post closure care	313,920	139,281
Net Cash Provided by Operating Activities	<u>\$ 225,674</u>	<u>\$ 311,689</u>

Gordon County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	Emergency Telephone System	Supplemental Juvenile Services	Drug Abuse Treatment Education	Condemnation	Crime Victims Assistance	Hotel/Motel Taxes	Jail Maintenance and Construction	Total Nonmajor Special Revenue Funds
Assets								
Cash and cash equivalents	\$ 679,405	\$ 4,694	\$ 81,106	\$ 106,350	\$ 53,427	\$ -	\$ 84,020	\$ 1,009,002
Receivables								
Accounts	95,554	-	-	-	-	-	-	95,554
Intergovernmental	38,436	-	963	-	1,904	10,418	2,012	53,733
Total Assets	<u>\$ 813,395</u>	<u>\$ 4,694</u>	<u>\$ 82,069</u>	<u>\$ 106,350</u>	<u>\$ 55,331</u>	<u>\$ 10,418</u>	<u>\$ 86,032</u>	<u>\$ 1,158,289</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 182,065	\$ -	\$ 4,260	\$ -	\$ 489	\$ 10,418	\$ -	\$ 197,232
Accrued expenditures	18,428	-	-	-	1,185	-	-	19,613
Unearned revenues	-	-	-	48,624	-	-	-	48,624
Total Liabilities	<u>200,493</u>	<u>-</u>	<u>4,260</u>	<u>48,624</u>	<u>1,674</u>	<u>10,418</u>	<u>-</u>	<u>265,469</u>
Fund Balances								
Restricted for judicial	-	4,694	77,809	-	53,657	-	-	136,160
Restricted for public safety	612,902	-	-	57,726	-	-	86,032	756,660
Total Fund Balances	<u>612,902</u>	<u>4,694</u>	<u>77,809</u>	<u>57,726</u>	<u>53,657</u>	<u>-</u>	<u>86,032</u>	<u>892,820</u>
Total Liabilities and Fund Balances	<u>\$ 813,395</u>	<u>\$ 4,694</u>	<u>\$ 82,069</u>	<u>\$ 106,350</u>	<u>\$ 55,331</u>	<u>\$ 10,418</u>	<u>\$ 86,032</u>	<u>\$ 1,158,289</u>

Gordon County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016

	Emergency Telephone System	Supplemental Juvenile Services	Drug Abuse Treatment Education	Condemnation	Crime Victims Assistance	Hotel/Motel Taxes	Jail Maintenance and Construction	Total Nonmajor Special Revenue Funds
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,996	\$ -	\$ 56,996
Intergovernmental	259,860	-	-	-	-	-	-	259,860
Charges for services	800,628	-	-	-	-	-	-	800,628
Fines and forfeitures	-	504	60,382	65,960	73,292	-	127,986	328,124
Investment earnings	1,014	13	295	16	184	-	312	1,834
Total Revenues	1,061,502	517	60,677	65,976	73,476	56,996	128,298	1,447,442
Expenditures								
Current								
Judicial	-	1	99,486	-	98,446	-	-	197,933
Public safety	1,745,465	-	-	81,896	-	-	35	1,827,396
Economic development	-	-	-	-	-	56,996	-	56,996
Total Expenditures	1,745,465	1	99,486	81,896	98,446	56,996	35	2,082,325
Excess (Deficiency) of Revenues Over (Under) Expenditures	(683,963)	516	(38,809)	(15,920)	(24,970)	-	128,263	(634,883)
Other Financing Sources (Uses)								
Transfers in	701,033	-	-	-	-	-	-	701,033
Transfers out	-	-	-	-	-	-	(135,000)	(135,000)
Total Other Financing Sources (Uses)	701,033	-	-	-	-	-	(135,000)	566,033
Net Change in Fund Balances	17,070	516	(38,809)	(15,920)	(24,970)	-	(6,737)	(68,850)
Fund Balances Beginning of Year	595,832	4,178	116,618	73,646	78,627	-	92,769	961,670
Fund Balances End of Year	\$ 612,902	\$ 4,694	\$ 77,809	\$ 57,726	\$ 53,657	\$ -	\$ 86,032	\$ 892,820

Gordon County, Georgia
Emergency Telephone System Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 679,405	\$ 550,132
Receivables		
Accounts	95,554	93,014
Intergovernmental	<u>38,436</u>	<u>36,987</u>
Total Assets	<u><u>\$ 813,395</u></u>	<u><u>\$ 680,133</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 182,065	\$ 41,766
Accrued expenditures	<u>18,428</u>	<u>42,535</u>
Total Liabilities	200,493	84,301
Fund Balances		
Restricted for public safety - E-911 system	<u>612,902</u>	<u>595,832</u>
Total Liabilities and Fund Balances	<u><u>\$ 813,395</u></u>	<u><u>\$ 680,133</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental	\$ 260,000	\$ 260,000	\$ 259,860	\$ (140)	\$ 255,943
Charges for services	810,250	810,250	800,628	(9,622)	802,050
Investment earnings	500	500	1,014	514	687
Total Revenues	<u>1,070,750</u>	<u>1,070,750</u>	<u>1,061,502</u>	<u>(9,248)</u>	<u>1,058,680</u>
Expenditures					
Current					
Public safety					
Personal services and benefits	1,450,423	1,456,834	1,278,106	178,728	1,310,504
Purchased and contracted services	320,560	316,894	289,006	27,888	315,055
Supplies	25,800	27,596	26,484	1,112	42,791
Capital Outlay	<u>150,000</u>	<u>151,870</u>	<u>151,869</u>	<u>1</u>	<u>31,682</u>
Total Expenditures	<u>1,946,783</u>	<u>1,953,194</u>	<u>1,745,465</u>	<u>207,729</u>	<u>1,700,032</u>
Excesss (Deficiency) of Revenues Over (Under) Expenditures	(876,033)	(882,444)	(683,963)	198,481	(641,352)
Other Financing Sources					
Transfers in	<u>701,033</u>	<u>701,033</u>	<u>701,033</u>	<u>-</u>	<u>658,459</u>
Net Change in Fund Balances	<u>\$ (175,000)</u>	<u>\$ (181,411)</u>	<u>17,070</u>	<u>\$ 198,481</u>	<u>17,107</u>
Fund Balances Beginning of Year			<u>595,832</u>		<u>578,725</u>
Fund Balances End of Year			<u>\$ 612,902</u>		<u>\$ 595,832</u>

Gordon County, Georgia
Supplemental Juvenile Services Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	<u>\$ 4,694</u>	<u>\$ 4,178</u>
 Fund Balances		
Restricted for judicial - juvenile services	<u>\$ 4,694</u>	<u>\$ 4,178</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 504	\$ (496)	\$ 1,017
Investment earnings	5	5	13	8	7
Total Revenues	<u>1,005</u>	<u>1,005</u>	<u>517</u>	<u>(488)</u>	<u>1,024</u>
Expenditures					
Current					
Judicial					
Personal services and benefits	995	995	-	995	-
Purchased and contracted services	<u>1,000</u>	<u>1,000</u>	<u>1</u>	<u>999</u>	<u>976</u>
Total Expenditures	<u>1,995</u>	<u>1,995</u>	<u>1</u>	<u>1,994</u>	<u>976</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (990)</u>	<u>\$ (990)</u>	<u>\$ 516</u>	<u>\$ 1,506</u>	<u>\$ 48</u>
Fund Balances Beginning of Year			<u>4,178</u>		<u>4,130</u>
Fund Balances End of Year			<u>\$ 4,694</u>		<u>\$ 4,178</u>

Gordon County, Georgia
Drug Abuse Treatment Education Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 81,106	\$ 120,215
Intergovernmental receivables	<u>963</u>	<u>927</u>
Total Assets	<u>\$ 82,069</u>	<u>\$ 121,142</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 4,260	\$ 4,524
Fund Balances		
Restricted for judicial - drug treatment education	<u>77,809</u>	<u>116,618</u>
Total Liabilities and Fund Balances	<u>\$ 82,069</u>	<u>\$ 121,142</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 73,200	\$ 73,200	\$ 60,382	\$ (12,818)	\$ 88,777
Investment earnings	200	200	295	95	228
Total Revenues	<u>73,400</u>	<u>73,400</u>	<u>60,677</u>	<u>(12,723)</u>	<u>89,005</u>
Expenditures					
Current					
Judicial					
Purchased and contracted services	150,055	150,055	99,486	50,569	101,703
Supplies	1,500	1,500	-	1,500	-
Total Expenditures	<u>151,555</u>	<u>151,555</u>	<u>99,486</u>	<u>52,069</u>	<u>101,703</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (78,155)</u>	<u>\$ (78,155)</u>	<u>(38,809)</u>	<u>39,346</u>	<u>(12,698)</u>
Fund Balances Beginning of Year			<u>116,618</u>		<u>129,316</u>
Fund Balances End of Year			<u>\$ 77,809</u>		<u>\$ 116,618</u>

Gordon County, Georgia
Condemnation Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 106,350	\$ 76,809
Liabilities and Fund Balances		
Liabilities		
Unearned revenues	\$ 48,624	\$ 3,163
Fund Balances		
Restricted for public safety - special enforcement	57,726	73,646
Total Liabilities and Fund Balances	<u>\$ 106,350</u>	<u>\$ 76,809</u>

Gordon County, Georgia
Condemnation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 64,000	\$ 64,000	\$ 65,960	\$ 1,960	\$ 159,184
Investment earnings	10	10	16	6	13
Total Revenues	<u>64,010</u>	<u>64,010</u>	<u>65,976</u>	<u>1,966</u>	<u>159,197</u>
Expenditures					
Current					
Public safety					
Purchased and contracted services	64,400	64,049	57,740	6,309	59,967
Supplies	<u>32,500</u>	<u>32,851</u>	<u>24,156</u>	<u>8,695</u>	<u>36,095</u>
Total Expenditures	<u>96,900</u>	<u>96,900</u>	<u>81,896</u>	<u>15,004</u>	<u>96,062</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (32,890)</u>	<u>\$ (32,890)</u>	<u>(15,920)</u>	<u>\$ 16,970</u>	<u>63,135</u>
Fund Balances Beginning of Year			<u>73,646</u>		<u>10,511</u>
Fund Balances End of Year			<u>\$ 57,726</u>		<u>\$ 73,646</u>

Gordon County, Georgia
Crime Victims Assistance Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 53,427	\$ 80,710
Intergovernmental receivables	<u>1,904</u>	<u>2,013</u>
Total Assets	<u><u>\$ 55,331</u></u>	<u><u>\$ 82,723</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 489	\$ 827
Accrued expenditures	<u>1,185</u>	<u>3,269</u>
Total Liabilities	1,674	4,096
Fund Balances		
Restricted for judicial - crime victims assistance	<u>53,657</u>	<u>78,627</u>
Total Liabilities and Fund Balances	<u><u>\$ 55,331</u></u>	<u><u>\$ 82,723</u></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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 69,325	\$ 69,325	\$ 73,292	\$ 3,967	\$ 73,561
Investment earnings	150	150	184	34	155
Total Revenues	<u>69,475</u>	<u>69,475</u>	<u>73,476</u>	<u>4,001</u>	<u>73,716</u>
Expenditures					
Current					
Judicial					
Personal services and benefits	116,838	117,712	93,495	24,217	91,381
Purchased and contracted services	2,175	2,175	1,685	490	805
Supplies	4,200	4,200	3,266	934	1,425
Total Expenditures	<u>123,213</u>	<u>124,087</u>	<u>98,446</u>	<u>25,641</u>	<u>93,611</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>\$ (53,738)</u>	<u>\$ (54,612)</u>	(24,970)	<u>\$ 29,642</u>	(19,895)
Fund Balances Beginning of Year			<u>78,627</u>		<u>98,522</u>
Fund Balances End of Year			<u>\$ 53,657</u>		<u>\$ 78,627</u>

Gordon County, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Intergovernmental receivable	<u>\$ 10,418</u>	<u>\$ 9,392</u>
Liabilities		
Accounts payable	<u>\$ 10,418</u>	<u>\$ 9,392</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 52,803	\$ 56,996	\$ 56,996	\$ -	\$ 53,564
Expenditures					
Current					
Economic development					
Industrial Development Authority	13,201	16,421	16,421	-	13,391
Chamber of Commerce	39,602	40,575	40,575	-	40,173
Total Expenditures	52,803	56,996	56,996	-	53,564
Excess of Revenues Over Expenditures	\$ -	\$ -	-	\$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			\$ -		\$ -

Gordon County, Georgia
Jail Maintenance and Construction Fund
Comparative Balance Sheets
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 84,020	\$ 90,283
Intergovernmental receivable	<u>2,012</u>	<u>2,486</u>
Total Assets	<u>\$ 86,032</u>	<u>\$ 92,769</u>
Fund Balances		
Restricted for public safety - jail maintenance	<u>\$ 86,032</u>	<u>\$ 92,769</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, 2016
(With Comparative Actual Amounts For the Year Ended June 30, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 130,000	\$ 130,000	\$ 127,986	\$ (2,014)	\$ 133,035
Investment earnings	150	150	312	162	209
Total Revenues	<u>130,150</u>	<u>130,150</u>	<u>128,298</u>	<u>(1,852)</u>	<u>133,244</u>
Expenditures					
Current					
Public safety					
Purchased and contracted services	<u>40</u>	<u>40</u>	<u>35</u>	<u>5</u>	<u>37</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>130,110</u>	<u>130,110</u>	<u>128,263</u>	<u>(1,847)</u>	<u>133,207</u>
Other Financing (Uses)					
Transfers out	<u>(135,000)</u>	<u>(135,000)</u>	<u>(135,000)</u>	<u>-</u>	<u>(120,125)</u>
Net Change in Fund Balances	<u>\$ (4,890)</u>	<u>\$ (4,890)</u>	<u>\$ (6,737)</u>	<u>\$ (1,847)</u>	<u>\$ 13,082</u>
Fund Balances Beginning of Year			<u>92,769</u>		<u>79,687</u>
Fund Balances End of Year			<u>\$ 86,032</u>		<u>\$ 92,769</u>

Gordon County, Georgia
Chert Fund
Comparative Statements of Net Position
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 253,943	\$ 195,691
Accounts receivable	2,907	-
Total Current Assets	<u>256,850</u>	<u>195,691</u>
Noncurrent Assets		
Capital Assets		
Land	80,000	80,000
Total Assets	<u>336,850</u>	<u>275,691</u>
Liabilities		
Current Liabilities		
Accounts payable	2,171	6,671
Accrued salaries	619	1,771
Compensated absences payable	1,581	1,771
Total Current Liabilities	4,371	10,213
Long-Term Liabilities		
Compensated absences payable (net of current portion)	2,372	2,657
Total Liabilities	<u>6,743</u>	<u>12,870</u>
Net Position		
Investment in capital assets	80,000	80,000
Unrestricted	250,107	182,821
Total Net Position	<u>\$ 330,107</u>	<u>\$ 262,821</u>

Gordon County, Georgia
Chert Fund
*Comparative Statements of Revenues,
Expenses and Changes in Fund Net Position
For the Years Ended June 30, 2016 and 2015*

	2016	2015
Operating Revenues		
Sales	\$ 178,863	\$ 109,360
Miscellaneous	548	225
Total Operating Revenues	<u>179,411</u>	<u>109,585</u>
Operating Expenses		
Personal services and benefits	57,978	58,912
Purchased and contracted services	18,169	11,965
Supplies	<u>36,665</u>	<u>30,683</u>
Total Operating Expenses	<u>112,812</u>	<u>101,560</u>
Operating Income	66,599	8,025
Non-Operating Revenues		
Investment earnings	<u>687</u>	<u>346</u>
Income	67,286	8,371
Net Position Beginning of Year	<u>262,821</u>	<u>254,450</u>
Net Position End of Year	<u><u>\$ 330,107</u></u>	<u><u>\$ 262,821</u></u>

Gordon County, Georgia
Chert Fund
Comparative Statements of Cash Flows
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 176,504	\$ 109,585
Cash payments to employees for services and benefits	(59,605)	(58,973)
Cash payments for goods and services	<u>(59,334)</u>	<u>(37,329)</u>
Net Cash Provided by Operating Activities	<u>57,565</u>	<u>13,283</u>
Cash Flows from Investing Activities		
Investment earnings	<u>687</u>	<u>346</u>
Net Increase in Cash and Cash Equivalents	58,252	13,629
Cash and Cash Equivalents Beginning of Year	<u>195,691</u>	<u>182,062</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 253,943</u></u>	<u><u>\$ 195,691</u></u>

(Continued)

Gordon County, Georgia
Chert Fund
Comparative Statements of Cash Flows (Continued)
For the Years Ended June 30, 2016 and 2015

(Continued)

	<u>2016</u>	<u>2015</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$ 66,599	\$ 8,025
Adjustments		
(Increase) Decrease in Assets		
Accounts receivable	(2,907)	-
Increase (Decrease) in Liabilities		
Accounts payable	(4,500)	5,319
Accrued salaries	(1,152)	147
Compensated absences payable	(475)	(208)
Net Cash Provided (Used) by Operating Activities	<u>\$ 57,565</u>	<u>\$ 13,283</u>

Gordon County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2016

Tax Commissioner Fund	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ 1,008,076	\$ 36,086,563	\$ 36,237,920	\$ (139,789)	\$ 716,930
Liabilities					
Interfund payable	\$ -	\$ 18,899,727	\$ 18,759,938	\$ (139,789)	\$ -
Due to others	1,008,076	17,186,836	17,477,982	-	716,930
Total Liabilities	\$ 1,008,076	\$ 36,086,563	\$ 36,237,920	\$ (139,789)	\$ 716,930
Clerk of Superior Court Fund	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ 230,630	\$ 3,233,067	\$ 3,205,815	\$ (72,361)	\$ 185,521
Liabilities					
Interfund payable	\$ -	\$ 699,882	\$ 627,521	\$ (72,361)	\$ -
Due to others	230,630	2,533,185	2,578,294	-	185,521
Total Liabilities	\$ 230,630	\$ 3,233,067	\$ 3,205,815	\$ (72,361)	\$ 185,521
Sheriff Fund	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ -	\$ 352,394	\$ 335,120	\$ (17,274)	\$ -
Liabilities					
Interfund payable	\$ -	\$ 158,723	\$ 141,449	\$ (17,274)	\$ -
Due to others	-	193,671	193,671	-	-
Total Liabilities	\$ -	\$ 352,394	\$ 335,120	\$ (17,274)	\$ -

(Continued)

Gordon County, Georgia
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
For The Year Ended June 30, 2016

(Continued)

Probate Court Fund	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ 21,598	\$ 1,351,869	\$ 1,264,307	\$ (84,427)	\$ 24,733
Liabilities					
Interfund payable	\$ -	\$ 973,125	\$ 888,698	\$ (84,427)	\$ -
Due to others	21,598	378,744	375,609	-	24,733
Total Liabilities	\$ 21,598	\$ 1,351,869	\$ 1,264,307	\$ (84,427)	\$ 24,733
Magistrate Court Fund	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ 23,138	\$ 405,371	\$ 396,457	\$ (11,300)	\$ 20,752
Liabilities					
Interfund payable	\$ -	\$ 134,027	\$ 122,727	\$ (11,300)	\$ -
Due to others	23,138	271,344	273,730	-	20,752
Total Liabilities	\$ 23,138	\$ 405,371	\$ 396,457	\$ (11,300)	\$ 20,752
Juvenile Court Fund	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ 27,777	\$ 4,511	\$ 3,511	\$ (1,087)	\$ 27,690
Liabilities					
Interfund payable	\$ -	\$ 3,026	\$ 1,939	\$ (1,087)	\$ -
Due to others	27,777	1,485	1,572	-	27,690
Total Liabilities	\$ 27,777	\$ 4,511	\$ 3,511	\$ (1,087)	\$ 27,690

(Continued)

Gordon County, Georgia
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
For The Year Ended June 30, 2016

(Continued)

Total	Balance July 1, 2015	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2016
Assets					
Cash and cash equivalents	\$ 1,311,219	\$ 41,433,775	\$ 41,443,130	\$ (326,238)	\$ 975,626
Liabilities					
Interfund payable	\$ -	\$ 20,868,510	\$ 20,542,272	\$ (326,238)	\$ -
Due to others	1,311,219	20,565,265	20,900,858	-	975,626
Total Liabilities	\$ 1,311,219	\$ 41,433,775	\$ 41,443,130	\$ (326,238)	\$ 975,626

Gordon County, Georgia
Introduction to Statistical Section
(Unaudited)

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.

Contents	Page
Financial Trends	117-127
These tables contain trend information that may assist the reader in assessing the County's current financial performance by placing it in a historical perspective.	
Revenue Capacity	128-138
These tables contain information that may assist the reader in assessing the viability of the County's two most significant local revenue sources, the property and sales taxes. Property taxes are the County's primary "own revenue source." The principal sales tax remitters information is not available from the Georgia Department of Revenue, the organization which collects the sales taxes from businesses and remits the local government's share to the applicable government.	
Debt Capacity	139-141
These tables present information that may assist the reader in analyzing the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	142-144
This table offers demographic and economic indicators that are commonly used for financial analysis and that can inform one's understanding the County's present and ongoing financial status.	
Operating Information	145-148
These tables contain service and infrastructure indicators that can inform one's understanding how the information in the County's financial statements relates to the services the County provides and the activities it performs.	

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

Fiscal Year Ended June 30,										
Source	2007	2008	Restated 2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
General government	\$ 4,662,963	\$ 5,173,106	\$ 7,331,063	\$ 5,220,427	\$ 5,225,695	\$ 6,208,909	\$ 5,440,123	\$ 5,530,582	\$ 5,626,738	\$ 5,796,071
Judicial	2,812,980	2,813,030	3,020,753	3,021,725	2,967,754	3,119,938	3,285,085	3,344,672	3,381,077	3,444,384
Public safety	12,258,807	13,386,235	14,861,528	15,483,877	15,229,542	16,253,676	17,391,140	17,458,851	17,482,432	17,639,141
Highways and streets	5,457,326	8,059,438	8,198,197	7,673,983	8,269,323	8,521,182	5,520,425	5,891,765	6,260,776	7,789,927
Health and welfare	689,289	706,280	716,416	723,570	681,392	685,840	709,427	711,767	717,301	703,458
Culture and recreation	2,481,197	2,186,942	2,449,455	2,304,216	2,207,764	2,269,630	2,878,329	2,843,654	2,797,169	3,386,378
Conservation	133,353	123,565	182,426	146,036	148,858	144,141	146,509	171,407	198,521	193,538
Economic development	175,547	153,917	150,051	180,021	222,027	426,128	223,180	306,922	312,103	315,777
Planning and zoning	367,729	421,767	387,440	289,867	287,872	266,198	293,467	254,561	275,553	325,585
Interest and fiscal charges	1,156,332	1,073,487	1,254,322	1,083,380	898,354	712,711	473,193	412,153	390,831	438,249
Total Expenses	30,195,523	34,097,767	38,551,651	36,127,102	36,138,581	38,608,353	36,360,878	36,926,334	37,442,501	40,032,508
Program Revenues:										
Charges for services:										
Commissions	458,816	452,746	534,153	526,234	591,675	651,849	630,084	676,057	681,664	711,965
Court fees	320,609	300,176	145,915	180,219	170,375	155,780	178,961	167,884	160,131	186,190
Sheriff fees	185,566	219,432	162,459	449,573	481,958	500,744	266,069	258,905	227,653	189,348
Fines	1,744,704	1,691,282	1,564,061	1,556,192	1,476,689	1,381,965	1,312,725	1,366,011	1,548,228	1,451,586
Emergency telephone fees	714,501	756,484	866,285	934,037	918,550	860,412	837,730	811,804	802,050	800,628
Other	865,244	891,610	983,267	921,932	946,827	887,121	928,813	991,069	1,090,693	1,143,716
Operating grants and contributions	697,609	425,891	538,413	454,510	566,648	553,521	778,453	1,060,351	1,493,821	1,307,623
Capital grants and contributions	939,220	702,821	510,000	-	3,319,274	525,527	215,507	454,864	56,242	535,637
Total Program Revenues	5,926,269	5,440,442	5,304,553	5,022,697	8,471,996	5,516,919	5,148,342	5,786,945	6,060,482	6,326,693
Net (Expense) Revenue	(24,269,254)	(28,657,325)	(33,247,098)	(31,104,405)	(27,666,585)	(33,091,434)	(31,212,536)	(31,139,389)	(31,382,019)	(33,705,815)
General Revenues and Transfers:										
Taxes:										
Property	15,589,173	16,494,592	16,714,535	16,835,573	16,250,052	16,130,112	17,226,719	17,391,248	17,067,026	18,173,343
Sales	15,759,482	16,180,586	14,022,711	13,877,792	13,950,131	14,664,616	14,630,460	14,012,506	14,157,131	13,422,405
Insurance premium	1,530,684	1,567,994	1,545,511	1,503,121	1,582,218	1,690,309	1,756,805	1,842,195	1,972,703	2,099,215
Excise	-	-	-	-	-	-	-	-	400,977	518,466
Alcohol beverage	214,256	216,677	207,146	200,378	199,491	190,777	172,167	170,036	167,378	171,869
Real estate transfer	471,818	344,221	230,837	187,604	190,089	188,216	237,986	214,787	282,686	259,652
Other	287,545	268,098	292,654	274,612	267,672	311,143	384,566	563,664	89,531	106,484
Payment in lieu of taxes	76,885	115,044	161,456	263,264	368,757	353,868	308,808	277,709	278,590	281,895
Gain on sale of capital assets	7,083	-	-	18,365	-	-	110,654	21,468	-	5,677
Investment earnings	2,245,923	1,521,084	414,706	81,219	47,319	36,073	32,913	27,673	36,410	65,515
Miscellaneous	3,743	-	17,028	11,514	45,706	57,167	59,814	57,716	61,546	60,093
Transfers - net	125,000	(60,000)	(56,936)	(86,950)	(72,850)	(30,000)	1,697,216	707,829	-	100,000
Total General Revenues and Transfers	36,311,592	36,648,296	33,549,648	33,166,492	32,828,585	33,592,281	36,618,108	35,286,831	34,513,978	35,264,614
Change in Net Position	\$ 12,042,338	\$ 7,990,971	\$ 302,550	\$ 2,062,087	\$ 5,162,000	\$ 500,847	\$ 5,405,572	\$ 4,147,442	\$ 3,131,959	\$ 1,558,799

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

Fiscal Year Ended June 30,										
Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Solid waste management	\$ 3,028,466	\$ 4,137,104	\$ (1,121,612)	\$ 3,383,579	\$ 1,652,794	\$ 1,835,274	\$ (3,553,521)	\$ 1,581,256	\$ 972,678	\$ 1,275,678
Chert	327,144	232,910	128,238	80,135	68,155	94,271	90,419	93,653	101,560	112,812
Total Expenses	3,355,610	4,370,014	(993,374)	3,463,714	1,720,949	1,929,545	(3,463,102)	1,674,909	1,074,238	1,388,490
Program Revenues:										
Charges for services:										
Solid waste management	825,156	1,042,590	745,624	670,341	487,462	727,381	623,688	314,907	300,738	293,954
Chert	259,172	161,764	97,159	53,575	41,652	42,794	44,760	81,340	109,360	178,863
Capital grants and contributions	-	-	3,100,000	59,579	-	-	1,026,858	-	-	-
Total Program Revenues	1,084,328	1,204,354	3,942,783	783,495	529,114	770,175	1,695,306	396,247	410,098	472,817
Net (Expense) Revenue	(2,271,282)	(3,165,660)	4,936,157	(2,680,219)	(1,191,835)	(1,159,370)	5,158,408	(1,278,662)	(664,140)	(915,673)
General Revenues and Transfers:										
Investment earnings	266,278	237,552	99,827	21,914	17,385	13,306	15,794	11,475	14,228	25,096
Miscellaneous	6,138	206	144	76	97	86	85	170	225	548
Transfers - net	(125,000)	60,000	56,936	86,950	72,850	30,000	(1,697,216)	(707,829)	-	(100,000)
Total General Revenues and Transfers	147,416	297,758	156,907	108,940	90,332	43,392	(1,681,337)	(696,184)	14,453	(74,356)
Change in Net Position	\$ (2,123,866)	\$ (2,867,902)	\$ 5,093,064	\$ (2,571,279)	\$ (1,101,503)	\$ (1,115,978)	\$ 3,477,071	\$ (1,974,846)	\$ (649,687)	\$ (990,029)

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

Source	Fiscal Year Ended June 30,									
	2007	2008	Restated 2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental activities ¹	\$ 30,195,523	\$ 34,097,767	\$ 38,551,651	\$ 36,127,102	\$ 36,138,581	\$ 38,608,353	\$ 36,360,878	\$ 36,926,334	\$ 37,442,501	\$ 40,032,508
Business-type activities ²	<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>	<u>1,074,238</u>	<u>1,388,490</u>
Total Expenses	<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>	<u>38,516,739</u>	<u>41,420,998</u>
Program Revenues:										
Governmental activities ¹	5,926,269	5,440,442	5,304,553	5,022,697	8,471,996	5,516,919	5,148,342	5,786,945	6,060,482	6,326,693
Business-type activities ²	<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>	<u>410,098</u>	<u>472,817</u>
Total Program Revenues	<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>	<u>6,470,580</u>	<u>6,799,510</u>
Net (Expense) Revenue	<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>	<u>(32,046,159)</u>	<u>(34,621,488)</u>
General Revenues and Transfers:										
Governmental activities ¹	36,311,592	36,648,296	33,549,648	33,166,492	32,828,585	33,592,281	36,618,108	35,286,831	34,513,978	35,264,614
Business-type activities ²	<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>	<u>14,453</u>	<u>(74,356)</u>
Total General Revenues and Transfers	<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>	<u>34,528,431</u>	<u>35,190,258</u>
Change in Net Position	<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>	<u>\$ 2,482,272</u>	<u>\$ 568,770</u>

Notes:

¹See Table-Changes in Net Position - Governmental Activities

²See Table-Changes in Net Position - Business-type Activities

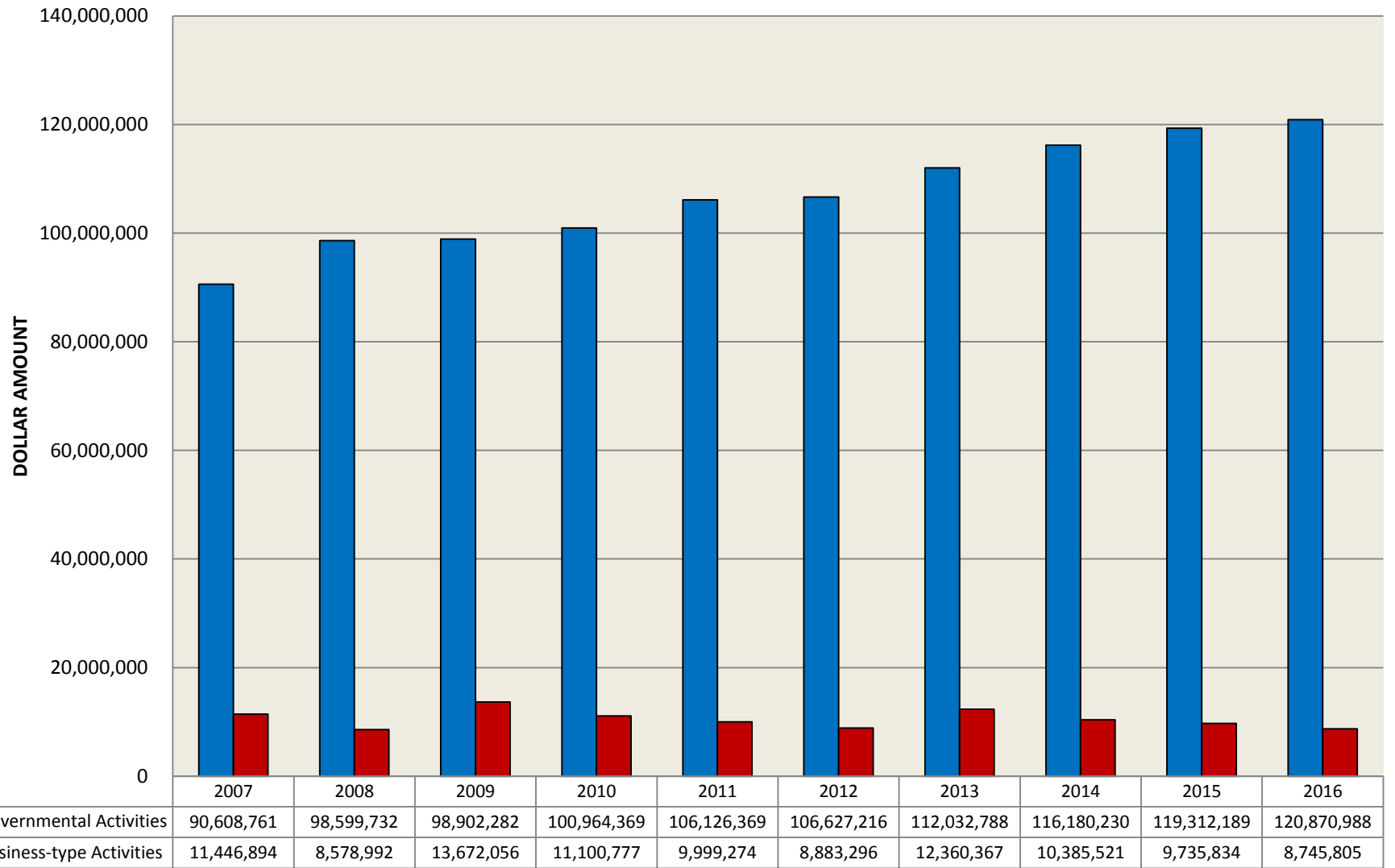
Gordon County, Georgia
Government-wide Net Position by Category¹
Last Ten Fiscal Years
(accrual basis of accounting)

	Restated									
	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Governmental Activities										
Net investment in capital assets	\$ 63,594,433	\$ 67,083,089	\$ 66,757,998	\$ 68,200,566	\$ 73,023,233	\$ 75,588,186	\$ 80,885,485	\$ 80,829,510	\$ 82,323,851	\$ 81,784,800
Restricted	14,545,932	15,197,332	14,849,175	15,044,244	14,638,762	12,820,961	12,469,946	16,776,624	18,077,357	18,027,180
Unrestricted	12,468,396	16,319,311	17,295,109	17,719,559	18,464,374	18,218,069	18,677,357	18,574,096	18,910,981	21,059,008
Subtotal Governmental Activities										
Net Position	90,608,761	98,599,732	98,902,282	100,964,369	106,126,369	106,627,216	112,032,788	116,180,230	119,312,189	120,870,988
Business-type Activities										
Net investment in capital assets	8,555,670	5,332,820	9,240,338	6,472,227	5,159,213	3,705,777	7,431,868	6,104,606	5,331,544	4,447,641
Unrestricted	2,891,224	3,246,172	4,431,718	4,628,550	4,840,061	5,177,519	4,928,499	4,280,915	4,404,290	4,298,164
Subtotal Business-type Activities										
Net Position	11,446,894	8,578,992	13,672,056	11,100,777	9,999,274	8,883,296	12,360,367	10,385,521	9,735,834	8,745,805
Primary Government										
Net investment in capital assets	72,150,103	72,415,909	75,998,336	74,672,793	78,182,446	79,293,963	88,317,353	86,934,116	87,655,395	86,232,441
Restricted	14,545,932	15,197,332	14,849,175	15,044,244	14,638,762	12,820,961	12,469,946	16,776,624	18,077,357	18,027,180
Unrestricted	15,359,620	19,565,483	21,726,827	22,348,109	23,304,435	23,395,588	23,605,856	22,855,011	23,315,271	25,357,172
Total Primary Governmental										
Net Position	<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>	<u>\$ 129,048,023</u>	<u>\$ 129,616,793</u>

Notes:

¹ 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.

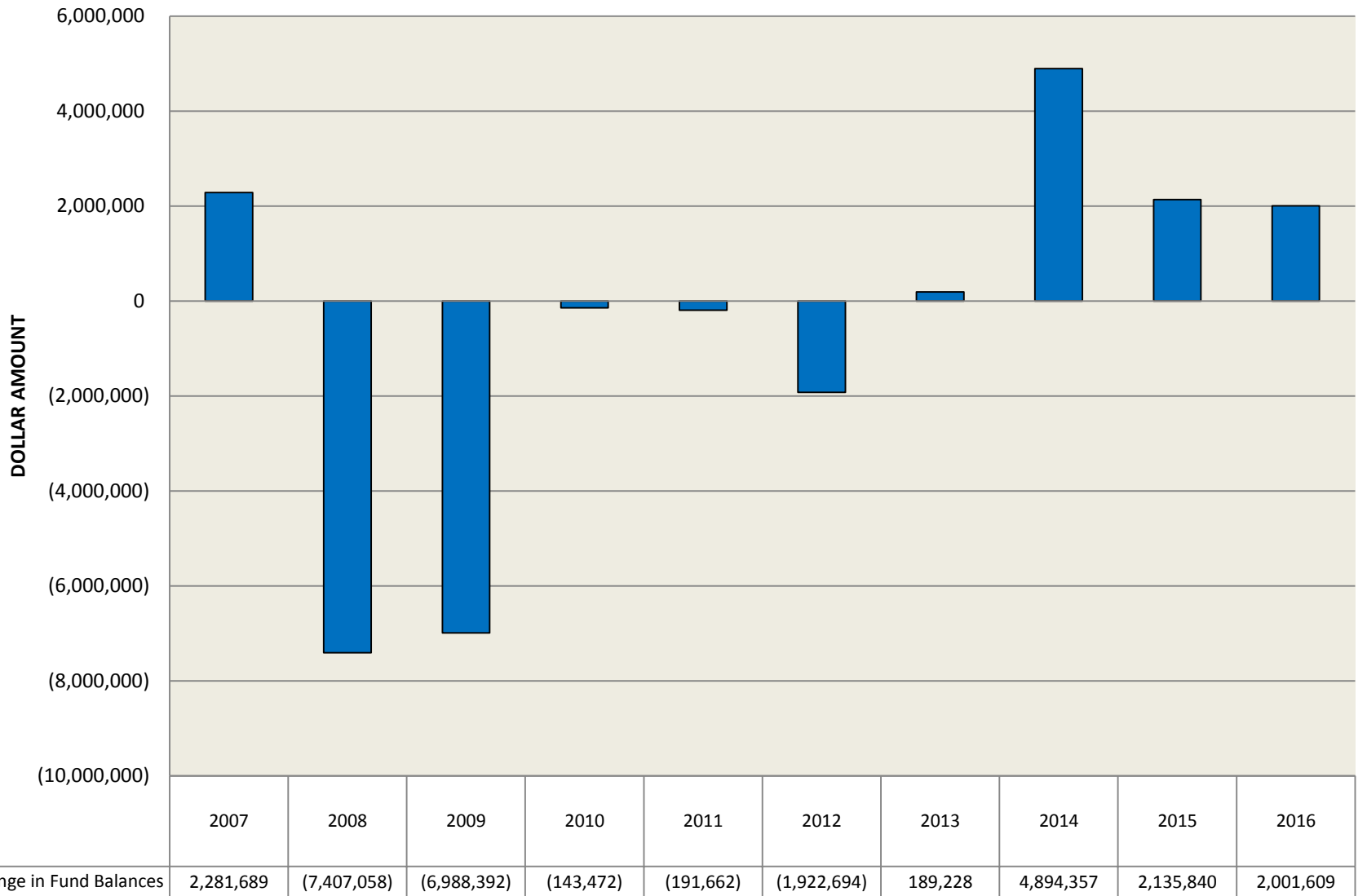
Gordon County, Georgia
Chart-Government-wide Net Position by Category
Last Ten Fiscal Years
(accrual basis of accounting)



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

	Fiscal Year Ended June 30,									
			Restated							
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$ 33,492,400	\$ 35,030,402	\$ 32,288,505	\$ 32,521,683	\$ 32,291,022	\$ 33,443,766	\$ 34,358,747	\$ 34,708,119	\$ 34,864,740	\$ 34,864,444
Licenses and permits	408,700	327,305	200,563	154,963	180,410	161,697	155,182	219,464	267,856	292,846
Intergovernmental	1,707,472	1,210,718	1,192,517	704,381	2,612,610	1,406,825	1,265,995	1,762,031	1,441,775	1,793,508
Charges for services	2,092,143	2,128,120	2,144,879	2,507,067	2,578,251	2,544,221	2,338,883	2,256,942	2,244,296	2,289,402
Fines and forfeitures	1,753,608	1,691,282	1,564,061	1,556,192	1,476,689	1,381,965	1,312,725	1,366,011	1,548,228	1,451,586
Investment earnings	2,245,923	1,521,085	414,706	81,219	66,292	49,984	46,754	44,537	57,614	101,657
Contributions and donations	6,242	33,038	17,352	13,393	1,623,097	12,180	22,932	14,029	34,117	13,610
Miscellaneous	38,732	165,022	346,721	361,479	354,685	407,155	407,406	487,029	511,585	509,722
Total Revenues	\$ 41,745,220	\$ 42,106,972	\$ 38,169,304	\$ 37,900,377	\$ 41,183,056	\$ 39,407,793	\$ 39,908,624	\$ 40,858,162	\$ 40,970,211	\$ 41,316,775
Expenditures:										
General government	4,452,169	8,589,734	5,806,911	5,021,580	8,167,566	5,697,214	6,919,872	6,391,249	5,149,334	7,032,044
Judicial	2,751,368	2,753,016	2,984,862	2,953,491	2,907,177	3,053,816	3,211,472	3,242,774	3,339,467	3,381,162
Public safety	11,434,297	13,574,075	14,092,442	14,165,234	13,829,868	14,445,373	15,692,932	15,984,252	16,028,769	15,911,730
Highways and streets	2,902,711	2,969,361	3,691,977	3,536,938	2,931,294	3,054,273	2,789,440	2,604,310	2,662,529	2,641,337
Health and welfare	689,289	706,280	716,416	723,570	681,392	685,840	709,427	711,767	717,301	703,458
Culture and recreation	1,594,946	1,904,228	1,857,356	1,800,752	1,783,370	1,825,327	1,868,238	1,816,975	1,794,219	1,837,205
Conservation	132,851	123,050	182,118	145,070	143,606	142,349	144,231	169,193	196,458	192,751
Economic development	175,547	153,917	150,051	180,021	222,027	426,128	223,180	306,922	312,103	315,777
Planning and zoning	369,613	414,632	388,911	290,273	283,979	264,899	290,853	253,964	274,978	325,847
Intergovernmental	-	-	2,608,066	2,712,069	2,940,298	3,817,224	1,467,228	1,956,372	1,956,372	3,751,051
Capital outlay	10,734,014	25,520,674	7,492,618	718,747	1,908,064	2,447,319	3,348,843	2,279,158	5,515,150	4,100,027
Debt service:										
Principal retirement	3,081,458	4,347,151	3,891,544	4,558,614	4,576,334	4,685,061	4,327,610	551,573	492,589	585,664
Debt issuance costs	-	364,321	-	-	-	-	-	-	-	23,566
Interest and fiscal charges	1,282,865	1,084,181	1,325,332	1,168,905	994,430	762,875	540,016	424,593	403,479	419,224
Total Expenditures	39,601,128	62,504,620	45,188,604	37,975,264	41,369,405	41,307,698	41,533,342	36,693,102	38,842,748	41,220,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,144,092	(20,397,648)	(7,019,300)	(74,887)	(186,349)	(1,899,905)	(1,624,718)	4,165,060	2,127,463	95,932
Other Financing Sources (Uses)										
Transfers in	2,641,648	4,407,917	4,476,898	4,094,025	2,404,993	2,000,000	4,162,216	3,640,215	2,933,637	3,039,732
Transfers out	(2,516,648)	(4,467,917)	(4,533,834)	(4,180,975)	(2,477,843)	(2,030,000)	(2,465,000)	(2,932,386)	(2,933,637)	(2,939,732)
Inception of capital lease	-	12,847,639	-	-	-	-	-	-	-	1,800,000
Premium on debt issued	-	180,345	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	16,944	-	41,745	-	-	-	-	-
Sale of capital assets	12,597	22,606	70,900	18,365	25,792	7,211	116,730	21,468	8,377	5,677
Total Other Financing Sources (Uses)	137,597	12,990,590	30,908	(68,585)	(5,313)	(22,789)	1,813,946	729,297	8,377	1,905,677
Net Change in Fund Balances	\$ 2,281,689	\$ (7,407,058)	\$ (6,988,392)	\$ (143,472)	\$ (191,662)	\$ (1,922,694)	\$ 189,228	\$ 4,894,357	\$ 2,135,840	\$ 2,001,609
Debt Service as a % of Noncapital Expenditures	14.4%	15.3%	13.8%	15.5%	15.1%	14.1%	13.1%	2.8%	2.6%	2.6%

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



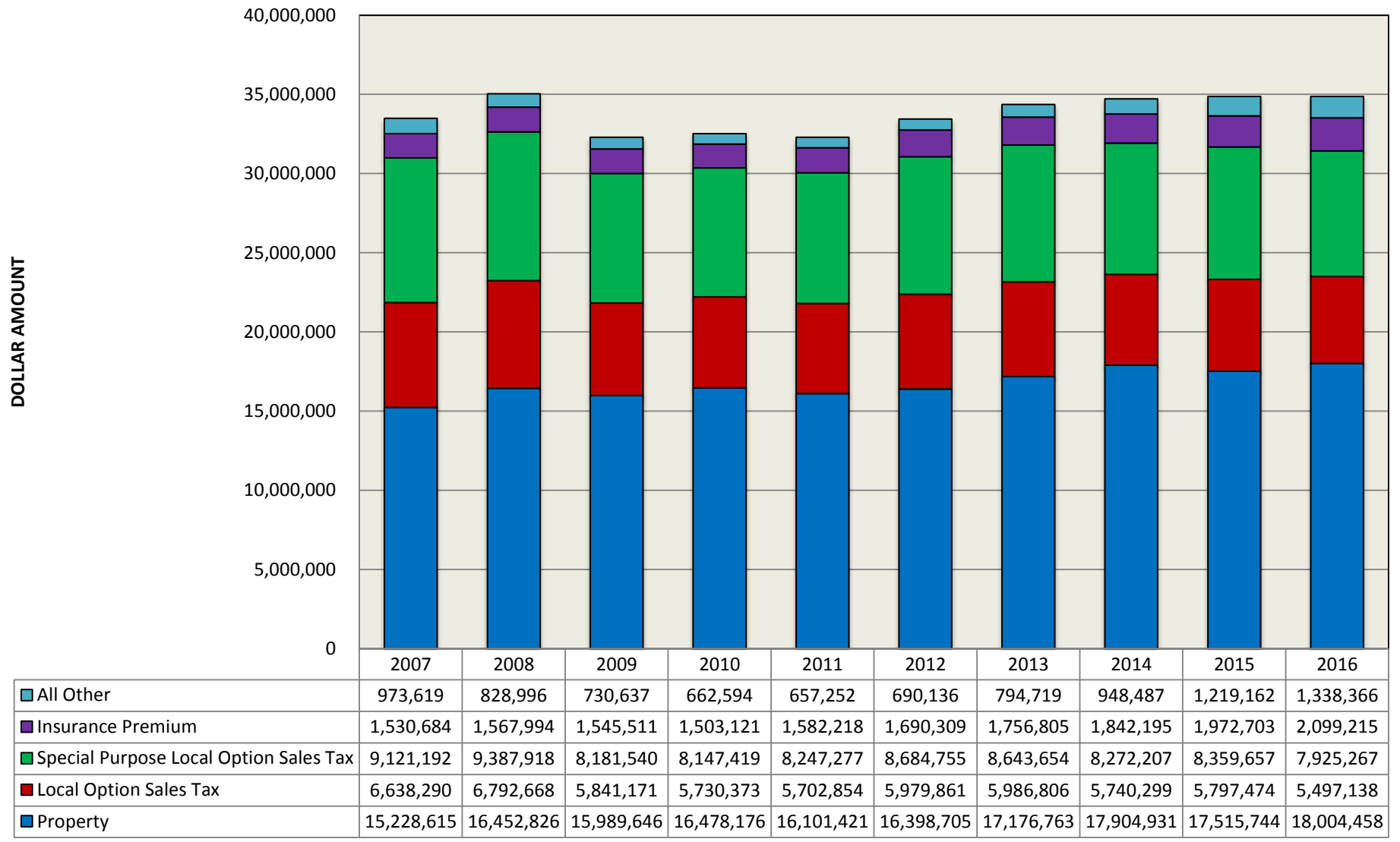
Gordon County, Georgia
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Local Option Sales	Special Purpose Local Option Sales	Insurance Premium	Alcoholic Beverage	Real Estate Transfer	Other¹	Total
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
2015	17,515,744	5,797,474	8,359,657	1,972,703	167,378	282,686	769,098	34,864,740
2016	18,004,458	5,497,138	7,925,267	2,099,215	171,869	259,652	906,845	34,864,444
Percentage Change In Dollars Over 10 Years	<u>18.2%</u>	<u>-17.2%</u>	<u>-13.1%</u>	<u>37.1%</u>	<u>-19.8%</u>	<u>-45.0%</u>	<u>215.4%</u>	<u>4.1%</u>

Notes:

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

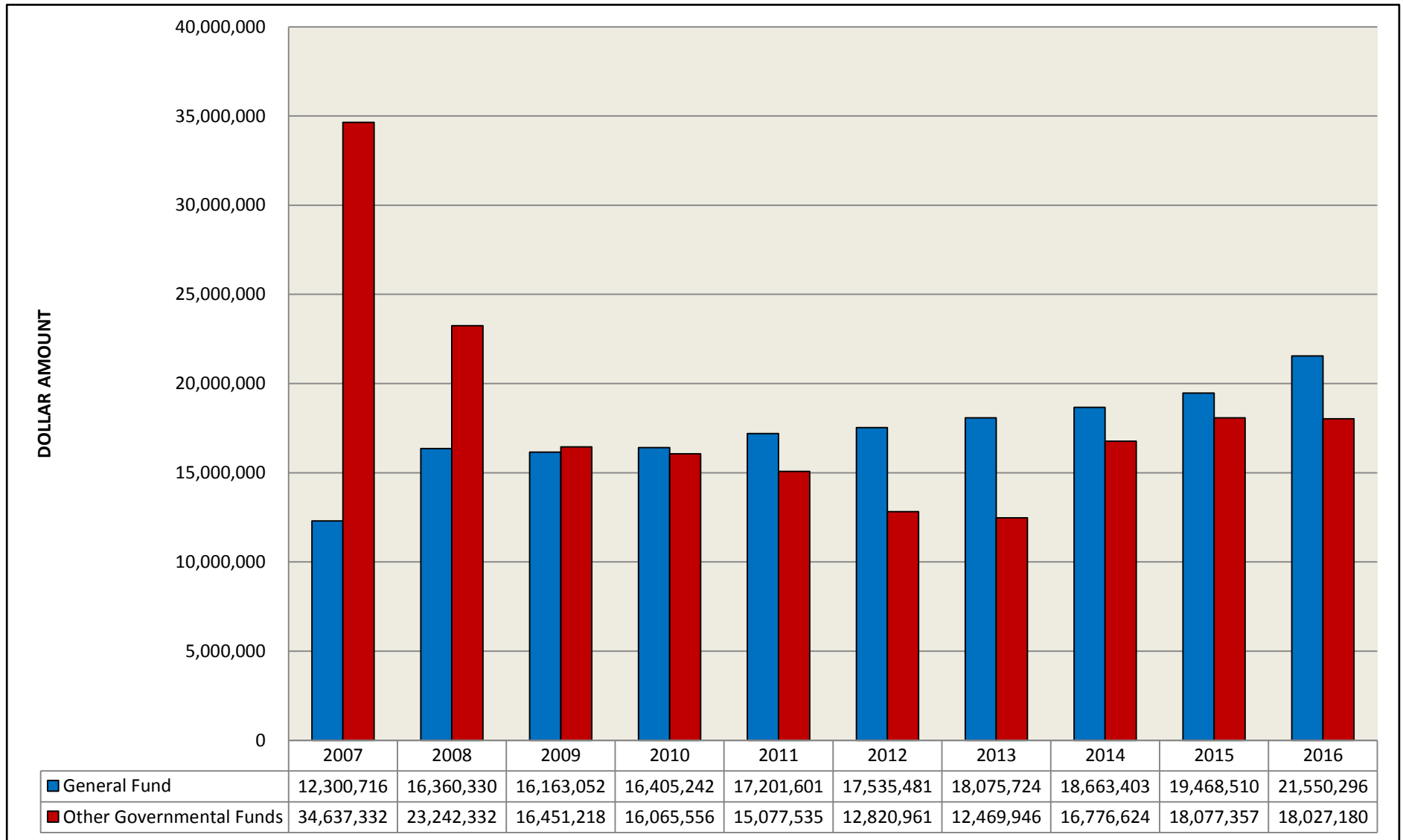
Gordon County, Georgia
Chart-Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)



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

	Restated									
	Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable	\$ 280,356	\$ 331,008	\$ 228,185	\$ 298,407	\$ 333,204	\$ 325,048	\$ 362,937	\$ 355,239	\$ 333,078	\$ 302,531
Committed	-	1,000,484	1,014,267	1,016,957	1,018,773	1,018,773	1,018,773	1,018,773	1,018,773	1,018,773
Unassigned	12,020,360	15,028,838	14,920,600	15,089,878	15,849,624	16,191,660	16,694,014	17,289,391	18,146,659	20,228,992
Subtotal General Fund	12,300,716	16,360,330	16,163,052	16,405,242	17,201,601	17,535,481	18,075,724	18,663,403	19,498,510	21,550,296
General Fund Percentage Change	49.5%	33.0%	-1.2%	1.5%	4.9%	1.9%	3.1%	3.3%	4.5%	10.5%
All Other Governmental Funds										
Nonspendable:										
Special Revenue Funds	11,243	11,243	11,243	11,243	11,243	-	-	-	-	-
Restricted:										
Special Revenue Funds	2,005,950	2,328,843	2,528,129	3,059,046	3,336,760	3,092,699	2,644,804	2,877,941	3,269,335	3,691,427
Capital Projects Fund	32,620,139	20,902,246	13,911,846	12,995,267	11,729,532	9,728,262	9,825,142	13,898,683	14,808,022	14,335,753
Assigned										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-	-	-	-	-
Subtotal All Other Governmental Funds	34,637,332	23,242,332	16,451,218	16,065,556	15,077,535	12,820,961	12,469,946	16,776,624	18,077,357	18,027,180
Total Governmental Funds										
Nonspendable	291,599	342,251	239,428	309,650	344,447	325,048	362,937	355,239	333,078	302,531
Restricted	34,626,089	23,231,089	16,439,975	16,054,313	15,066,292	12,820,961	12,469,946	16,776,624	18,077,357	18,027,180
Committed	-	1,000,484	1,014,267	1,016,957	1,018,773	1,018,773	1,018,773	1,018,773	1,018,773	1,018,773
Unassigned	12,020,360	15,028,838	14,920,600	15,089,878	15,849,624	16,191,660	16,694,014	17,289,391	18,146,659	20,228,992
Total Governmental Funds	<u>\$ 46,938,048</u>	<u>\$ 39,602,662</u>	<u>\$ 32,614,270</u>	<u>\$ 32,470,798</u>	<u>\$ 32,279,136</u>	<u>\$ 30,356,442</u>	<u>\$ 30,545,670</u>	<u>\$ 35,440,027</u>	<u>\$ 37,575,867</u>	<u>\$ 39,577,476</u>
All Governmental Funds Percentage Change	<u>5.1%</u>	<u>-15.6%</u>	<u>-17.6%</u>	<u>-0.4%</u>	<u>-0.6%</u>	<u>-6.0%</u>	<u>0.6%</u>	<u>16.0%</u>	<u>6.0%</u>	<u>5.3%</u>

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 ¹	Total Direct Tax Rate ²	Estimated Actual Value	Annual Percentage Change
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%
2015	661,793,819	309,959,792	470,021,102	135,368,916	162,095,928	47,578,348	109,622,638	6,900,983	263,190,734	1,640,150,792	9.747	4,100,376,980	-1.3%
2016	690,976,368	345,149,235	463,440,411	132,700,653	170,935,013	47,827,310	81,441,086	8,071,890	278,175,290	1,662,366,676	9.930	4,155,916,690	1.4%
% Increase Over Ten Years	16%	22%	45%	14%	60%	38%	-35%	9%	103%	15%		15%	
Percentages of Total													
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%			
2015	34.8%	16.3%	24.7%	7.1%	8.5%	2.5%	5.8%	0.4%	16.0%	84.0%			
2016	35.6%	17.8%	23.9%	6.8%	8.8%	2.5%	4.2%	0.4%	16.7%	83.3%			

Source:

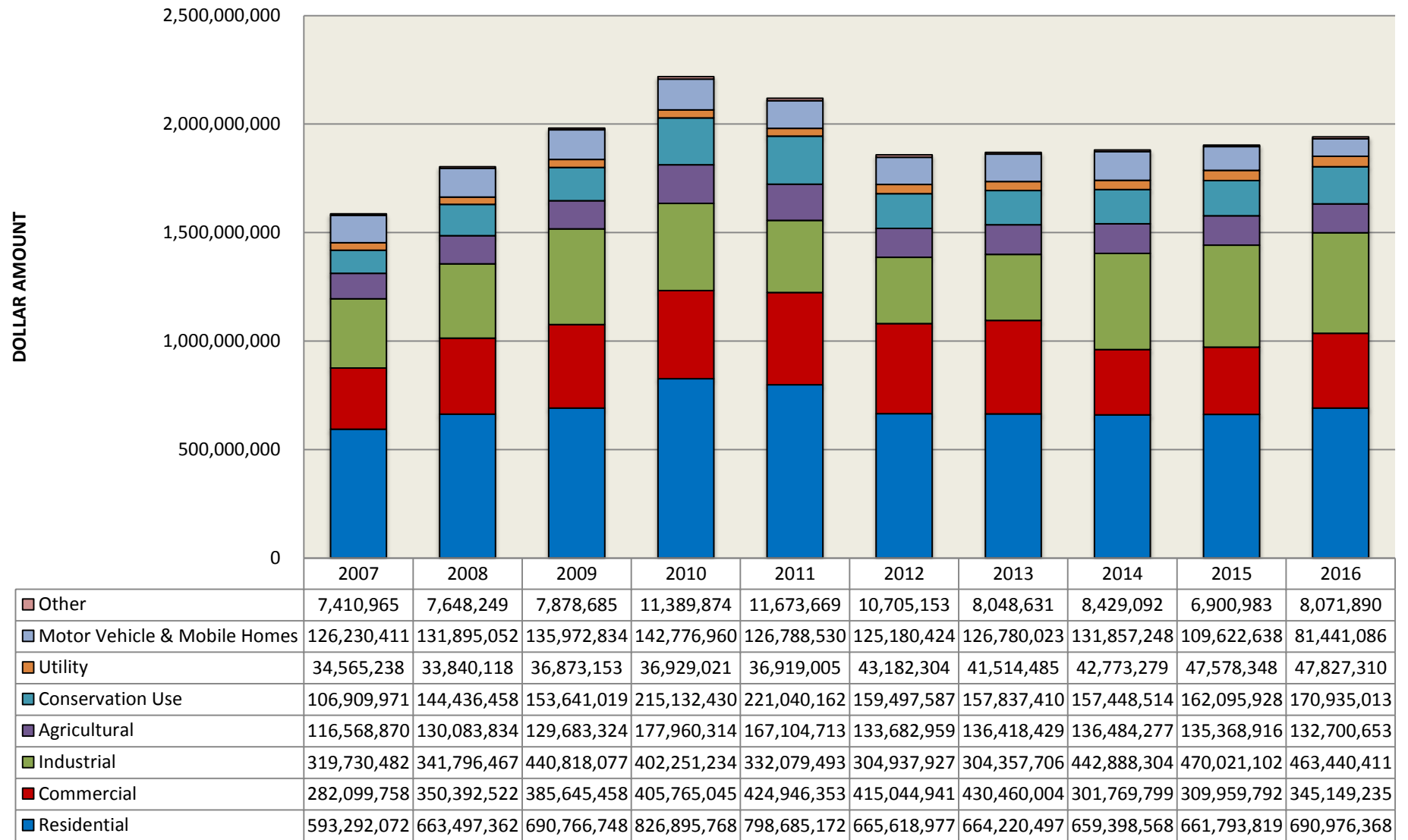
¹ Georgia Department of Revenue, Tax Digest Consolidation Summary

Notes:

¹ All property is assessed at 40% of fair market value.

² 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)

Fiscal Year	<u>Direct</u>	<u>Overlapping</u>	<u>Underlying Rates</u>¹				
	<u>County Rate</u>	<u>State of Georgia²</u>	<u>City of Calhoun</u>	<u>City of Calhoun Schools³</u>	<u>City of Fairmont</u>	<u>City of Plainville</u>	<u>Gordon County Schools</u>
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
2015	9.747	0.100	1.980	17.985	6.500	5.500	19.274
2016	9.930	0.050	1.980	17.985	5.993	5.500	20.000

Source:

¹ Georgia Department of Revenue, Property Tax Division

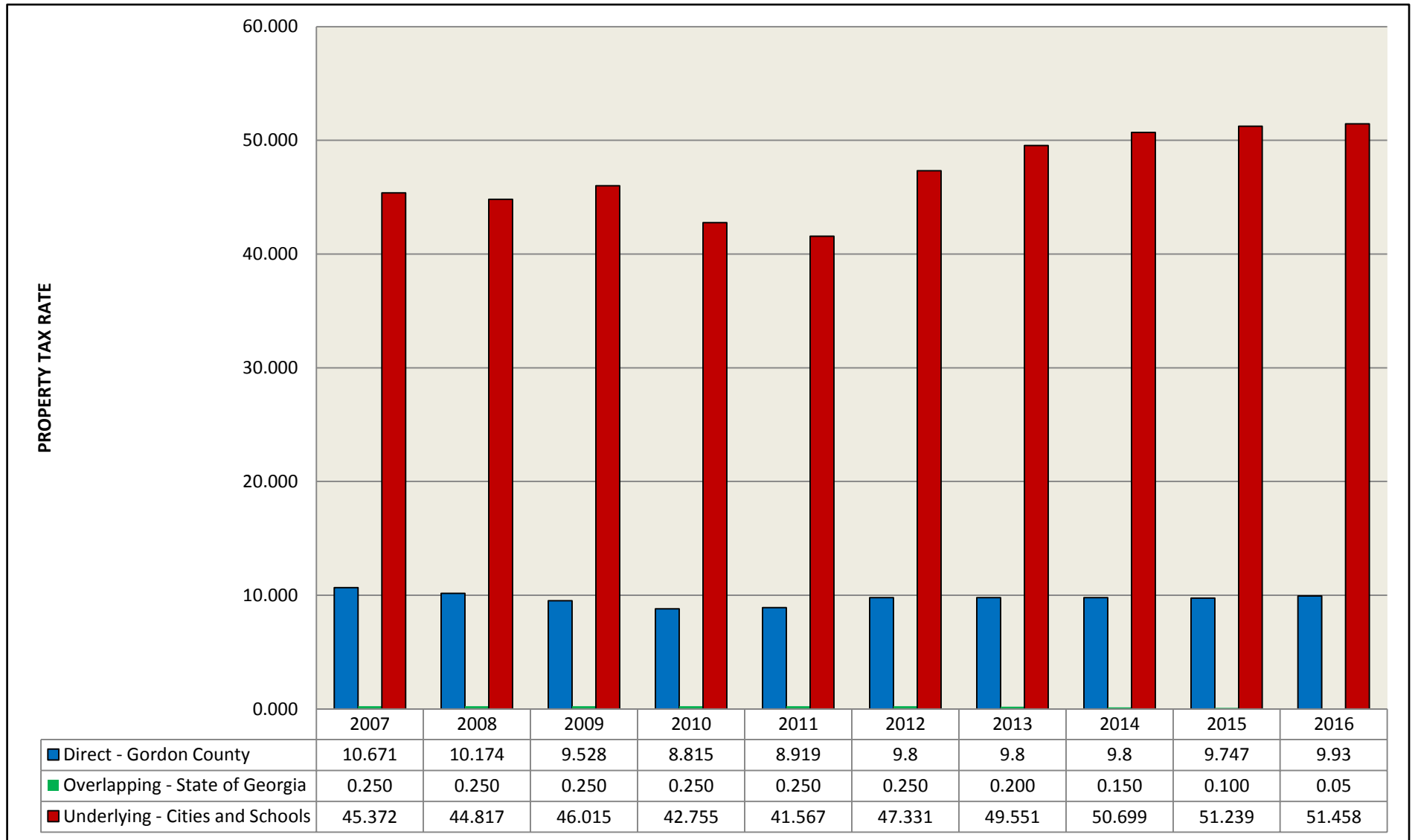
Notes:

¹ Underlying rates are those of the City of Calhoun, City of Calhoun Schools, City of Fairmont, City of Plainville, and the Gordon County Schools that apply to property owners within Gordon County.

² The State of Georgia levies a tax on each county's taxable property to help finance their certification of each Georgia County's tax digests.

³ 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 Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2007	\$ 15,472,616	\$ 13,971,873	90.30%	\$ 1,456,805	\$ 15,428,678	99.72%	\$ 43,938	0.28%
2008	16,329,087	14,620,762	89.54%	1,615,477	16,236,239	99.43%	92,848	0.57%
2009	16,849,740	14,430,613	85.64%	2,335,717	16,766,330	99.50%	83,410	0.50%
2010	17,144,927	14,667,995	85.55%	2,366,951	17,034,946	99.36%	109,981	0.64%
2011	16,471,138	14,441,595	87.68%	1,912,101	16,353,696	99.29%	117,442	0.71%
2012	16,069,452	14,453,635	89.94%	1,482,644	15,936,279	99.17%	133,173	0.83%
2013	16,202,482	14,576,729	89.97%	1,476,290	16,053,019	99.08%	149,463	0.92%
2014	16,278,022	14,596,527	89.67%	1,440,940	16,037,467	98.52%	240,555	1.48%
2015	15,986,550	14,470,166	90.51%	1,171,346	15,641,512	97.84%	345,038	2.16%
2016	16,507,301	15,346,797	92.97%	-	15,346,797	92.97%	1,160,504	7.03%

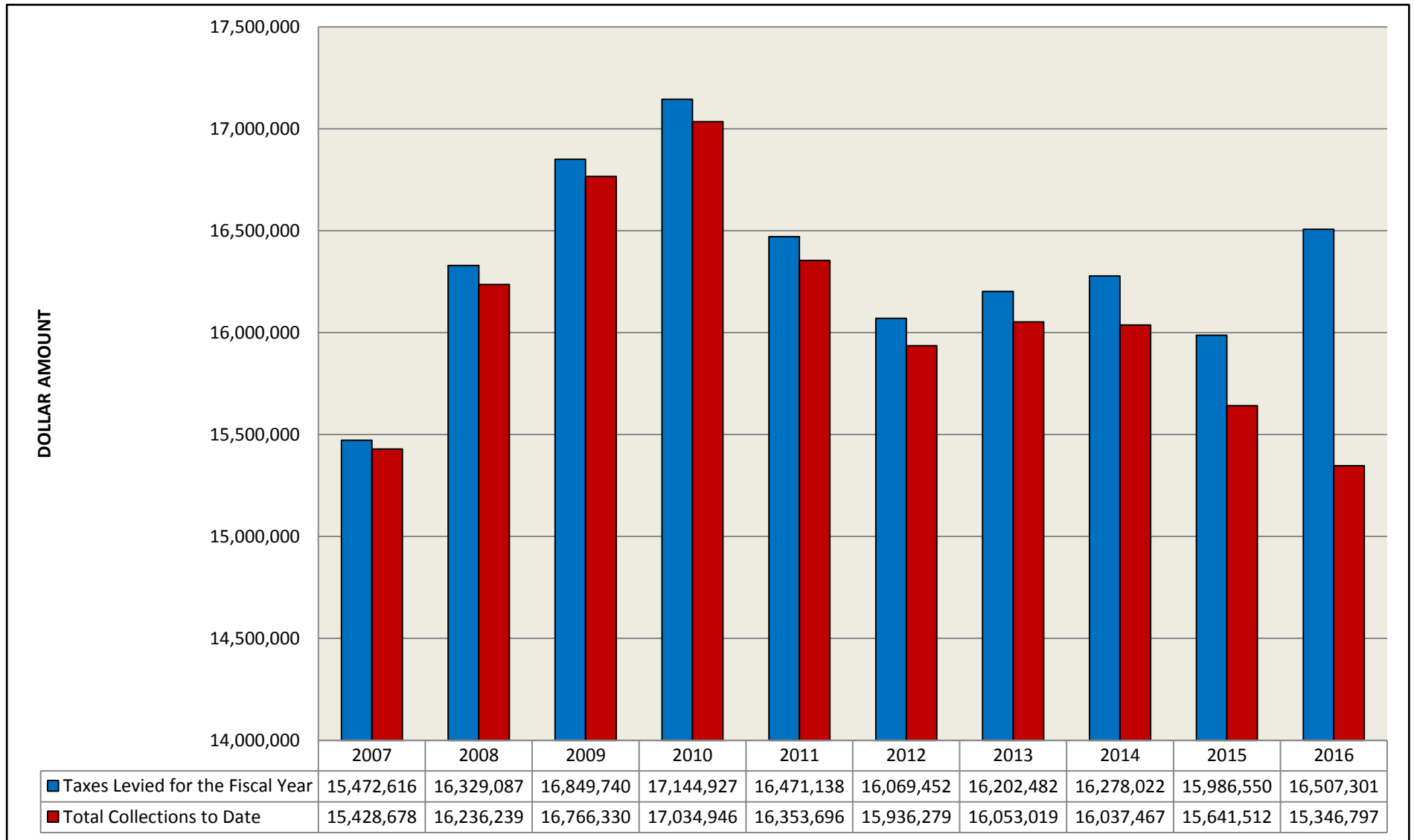
Source:

Gordon County Tax Commissioner's Office.

Note:

¹ 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, 2016 and 2007

2016				2007			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Mohawk Industries	\$ 77,926,424	1	4.69%	Shaw Industries Group Inc.	\$ 59,946,958	1	4.13%
Shaw Industries Group Inc.	68,442,132	2	4.12%	Aladdin Manufacturing Corp.	43,723,036	2	3.02%
CNH America LLC	31,066,164	3	1.87%	Kobelco Construction	18,516,125	3	1.28%
Engineered Floors Inc.	30,243,359	4	1.82%	Mannington Carpets	16,473,451	4	1.14%
Mannington Mills Inc.	13,728,279	5	0.83%	Mohawk Industries	12,775,767	5	0.88%
Aladdin Manufacturing Corp.	13,670,744	6	0.82%	Pine Hall Brick Inc.	12,595,168	6	0.87%
Apache Mills Inc	13,657,548	7	0.82%	Mohawk Industries (ARC Plants)	11,503,548	7	0.79%
North Georgia EMC	12,394,390	8	0.75%	North Georgia EMC	8,439,261	8	0.58%
Fieldturf USA	12,374,616	9	0.74%	Springbank LLC	8,380,773	9	0.58%
Nourison Industries Inc.	11,023,612	10	0.66%	Calhoun Outlets LLC	7,151,122	10	0.49%
Total Principal Taxpayers	284,527,268		17.12%		199,505,209		13.76%
All Other Taxpayers	1,377,839,408		82.88%		1,250,463,492		86.24%
Total	\$ 1,662,366,676		100.00%		\$ 1,449,968,701		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 Year	Direct		Overlapping	Underlying	Total
	Gordon County		State of	Gordon County	Direct, Overlapping
	LOST	SPLOST ^{1&3}	Georgia	Schools ²	and Underlying Rate
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%
2015	1.00%	1.00%	4.00%	1.00%	7.00%
2016	1.00%	1.00%	4.00%	1.00%	7.00%

Source:

¹ Georgia Department of Revenue, Sales and Use Tax Division.

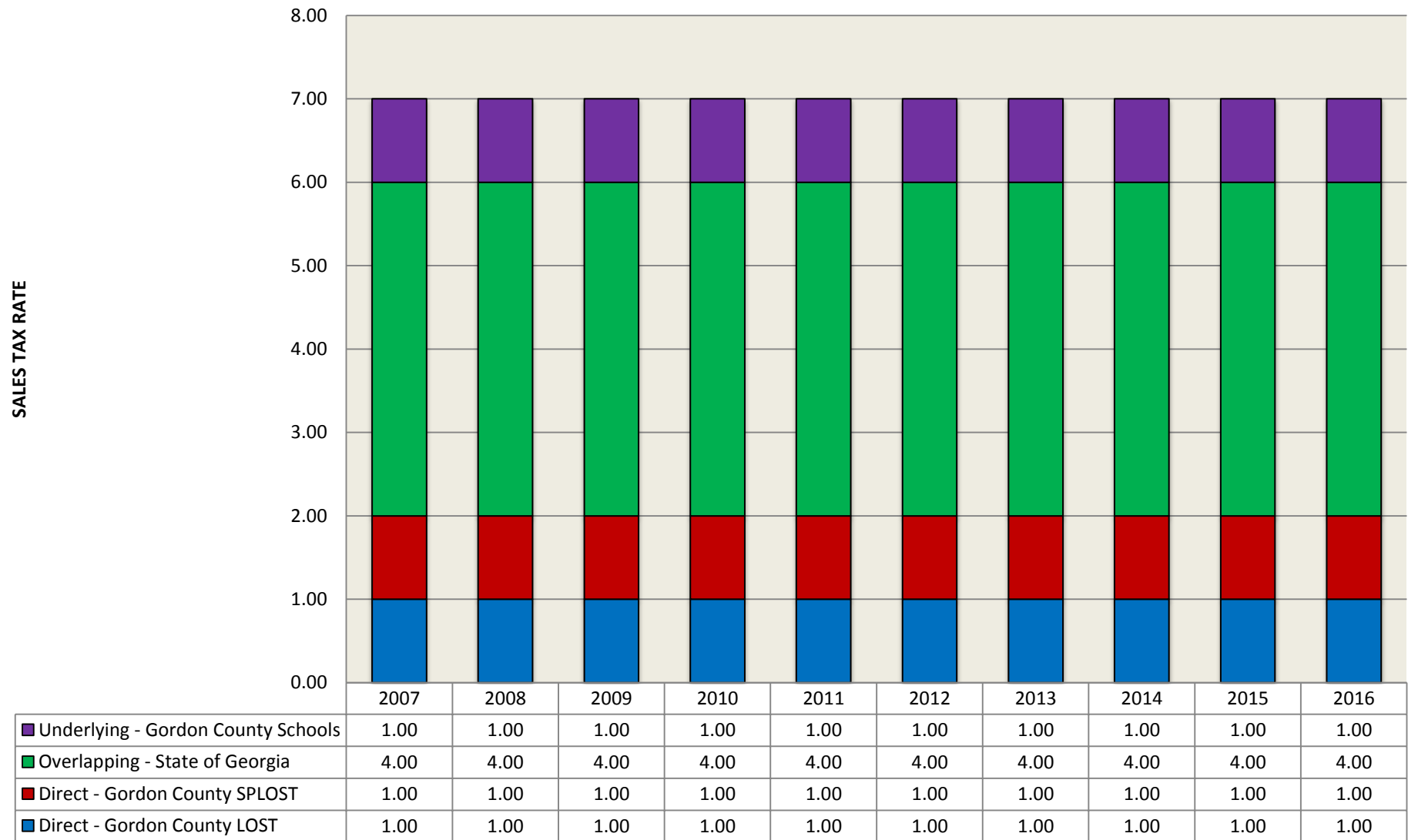
Notes:

¹ 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.

²Effective 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.

³ 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



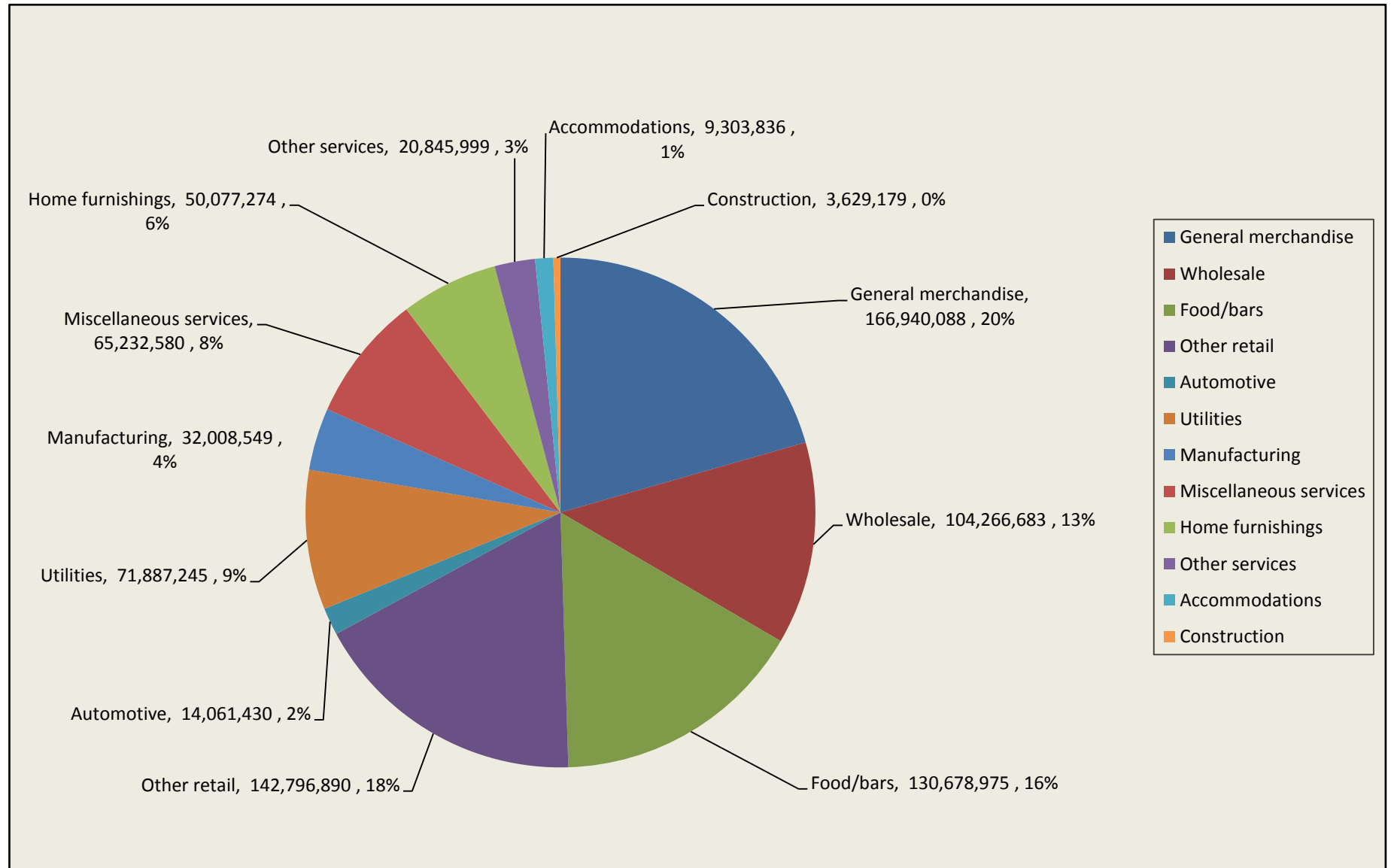
Gordon County, Georgia
Taxable Sales by Category
Calendar Year

	2006		2007		2008		2009		2010		2011		2012		2013		2014		2015	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Category:																				
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%	\$164,123,993	19.44%	\$166,940,088	20.57%
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%	124,802,770	14.79%	104,266,683	12.84%
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%	121,534,729	14.40%	130,678,975	16.10%
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%	156,900,803	18.59%	142,796,890	17.59%
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%	14,857,045	1.76%	14,061,430	1.73%
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%	83,547,970	9.90%	71,887,245	8.85%
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%	36,071,458	4.27%	32,008,549	3.94%
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%	65,772,985	7.79%	65,232,580	8.04%
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%	44,238,743	5.24%	50,077,274	6.17%
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%	22,242,610	2.64%	20,845,999	2.57%
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%	7,040,519	0.83%	9,303,836	1.15%
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%	2,912,118	0.35%	3,629,179	0.45%
SIC codes																				
Food	\$ 263,668,725	28.24%	\$ 266,367,180	28.87%	\$ 248,033,221	26.46%														
General	130,658,021	13.99%	133,137,354	14.43%	128,337,853	13.69%														
Automotive	125,588,081	13.45%	127,872,364	13.86%	181,476,183	19.36%														
Utilities	102,568,352	10.98%	101,143,479	10.96%	104,754,382	11.18%														
Home	72,328,857	7.75%	71,209,452	7.72%	56,555,421	6.03%														
Lumber	68,947,268	7.38%	61,643,192	6.68%	36,407,673	3.88%														
Miscellaneous	54,119,166	5.80%	48,488,363	5.25%	49,024,559	5.24%														
Apparel	41,906,426	4.49%	41,698,856	4.52%	44,186,632	4.71%														
Manufacturing	37,578,602	4.02%	34,536,234	3.74%	37,229,008	3.97%														
Miscellaneous	36,392,180	3.90%	36,628,897	3.97%	51,318,460	5.48%														
Total	\$ 933,755,678	100.00%	\$ 922,725,371	100.00%	\$ 937,323,392	100.00%	\$ 815,827,134	100.00%	\$ 831,554,225	100.00%	\$ 839,253,969	100.00%	\$ 881,826,734	100.00%	\$ 833,678,586	100.00%	\$844,045,743	100.00%	\$811,728,728	100.00%
Dollar increase from previous year	\$ 116,620,564		\$ (11,030,307)		\$ 14,598,021		\$(121,496,258)		\$ 15,727,091		\$ 7,699,744		\$ 42,572,765		\$ (48,148,148)		\$ 10,367,157		\$ (32,317,015)	
Percent increase from previous year	14.27%		-1.18%		1.58%		-12.96%		1.93%		0.93%		5.07%		-5.46%		1.24%		-3.83%	

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 - 2015



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

Fiscal Year	Governmental Activities			Percentage of Personal Income	Population	Total Debt Per Capita
	Capital Leases	Notes Payable	Total ³			
2007	\$ 23,935,673	-	\$ 23,935,673	1.69%	53,409	¹ \$ 448
2008	32,436,161	-	32,436,161	2.18%	54,567	¹ 594
2009	28,544,617	-	28,544,617	1.93%	54,945	¹ 520
2010	23,986,004	-	23,986,004	1.65%	55,186	¹ 435
2011	19,409,670	-	19,409,670	1.26%	55,621	¹ 349
2012	14,532,116	-	14,532,116	0.92%	55,766	¹ 261
2013	10,337,228	-	10,337,228	0.62%	55,757	¹ 185
2014	9,776,749	-	9,776,749	0.57%	56,047	¹ 174
2015	9,275,254	-	9,275,254	0.52%	56,574	¹ 164
2016	10,480,684	-	10,480,684	0.56%	56,928	² 184

Sources:

¹ U.S. Census Bureau

² Trend analysis

Note:

³ 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, 2016

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁴</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes and Sales Taxes			
Overlapping Debt ³			
Gordon County Board of Education ¹	\$ 9,670,000	100.0%	\$ 9,670,000
City of Calhoun ²	33,705,200	100.0%	33,705,200
Total Overlapping Debt			<u>43,375,200</u>
County Direct Debt			
Debt repaid with property taxes	10,480,684	100.0%	<u>10,480,684</u>
Total County Direct Debt			<u>10,480,684</u>
Total Direct and Overlapping Debt			<u><u>\$ 53,855,884</u></u>

Sources:

¹ Gordon County Board of Education

² City of Calhoun

Notes:

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

⁴ 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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed Value-Bond Digest	\$ 1,586,807,767	\$ 1,803,590,062	\$ 1,981,279,298	\$ 2,219,100,646	\$ 2,119,237,097	\$ 1,857,850,272	\$ 1,869,637,185	\$ 1,881,049,081	\$ 1,903,341,526	\$ 1,940,541,966
Legal Debt Margin										
Debt limit (10% of assessed value)	\$ 158,680,777	\$ 180,359,006	\$ 198,127,930	\$ 221,910,065	\$ 211,923,710	\$ 185,785,027	\$ 186,963,719	\$ 188,104,908	\$ 190,334,153	\$ 194,054,197
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 158,680,777	\$ 180,359,006	\$ 198,127,930	\$ 221,910,065	\$ 211,923,710	\$ 185,785,027	\$ 186,963,719	\$ 188,104,908	\$ 190,334,153	\$ 194,054,197
As a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note:

¹ 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

Year	Population	<i>(thousands of dollars)</i> Personal Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate	
2007	53,409	¹ \$ 1,419,461	² \$ 26,577	² 34.8	¹ 6,815	³ 4.4%	⁴
2008	54,567	¹ 1,490,699	² 27,319	² 35.0	¹ 6,870	³ 6.8%	⁴
2009	54,945	¹ 1,476,247	² 26,868	² 35.1	¹ 7,012	³ 13.6%	⁴⁻⁶
2010	55,186	¹ 1,451,945	² 26,301	² 36.1	¹ 6,815	³ 12.6%	⁴
2011	55,621	¹ 1,542,204	² 27,783	² 36.3	¹ 6,924	³ 11.7%	⁴
2012	55,766	¹ 1,571,431	² 28,192	² 36.7	¹ 6,974	³ 10.9%	⁴
2013	55,757	¹ 1,656,419	² 29,669	² 37.0	¹ 6,810	³ 10.2%	⁴
2014	56,047	¹ 1,730,308	² 30,872	¹ 37.3	¹ 6,860	³ 8.5%	⁴
2015	56,574	¹ 1,791,744	⁵ 31,671	⁵ 37.7	¹ 6,771	³ 6.2%	⁴
2016	56,928	⁵ 1,858,838	⁵ 32,652	⁵ 38.1	⁵ 6,772	³ 5.6%	⁴

Sources:

¹ U.S. Census Bureau

² U.S. Department of Commerce-Bureau of Economic Analysis

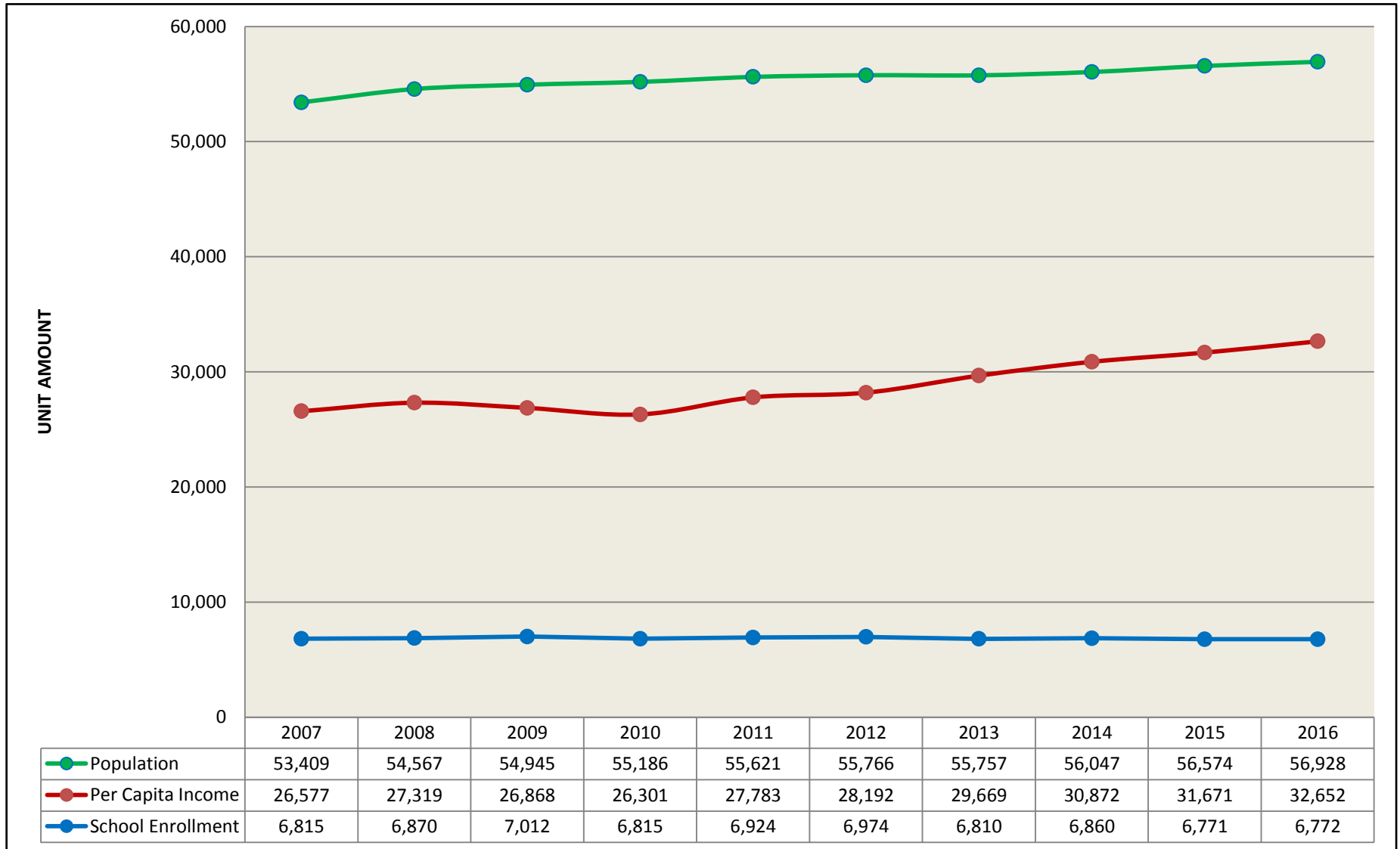
³ Gordon County Board of Education

⁴ Georgia Department of Labor

⁵ Trend analysis

⁶ 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, 2016 and 2007

<u>Employer</u>	2016			<u>Employer</u>	2007		
	<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	2,539	1	9.46%	Mohawk Industries	3,000	1	11.13%
Gordon Hospital	1,055	2	3.93%	Shaw Industries	1,750	2	6.49%
Shaw Industries Group	1,025	3	3.82%	Gordon County Schools	950	3	3.52%
Gordon County Schools	815	4	3.04%	Mannington	609	4	2.26%
Apache Mills	650	5	2.42%	Gordon Hospital	579	5	2.15%
Mannington	625	6	2.33%	Calhoun City Schools	462	6	1.71%
Engineered Floors, LLC	600	7	2.24%	Beaulieu Group	386	7	1.43%
Calhoun City Schools	450	8	1.68%	Gordon County Government	372	8	1.38%
Gordon County Government	409	9	1.52%	Kobelco Construction Machinery	350	9	1.30%
Beaulieu Group	299	10	1.11%	Apache Mills	320	10	1.19%
Total Principal Employers	8,467		31.56%	Total Principal Employers	8,778		32.56%
Other Employers	18,361		68.44%	Other Employers	18,182		67.44%
Total Employment	26,828		100.00%	Total Employment	26,960		100.00%

Sources:

¹ Gordon County Chamber of Commerce

² Georgia Department of Labor

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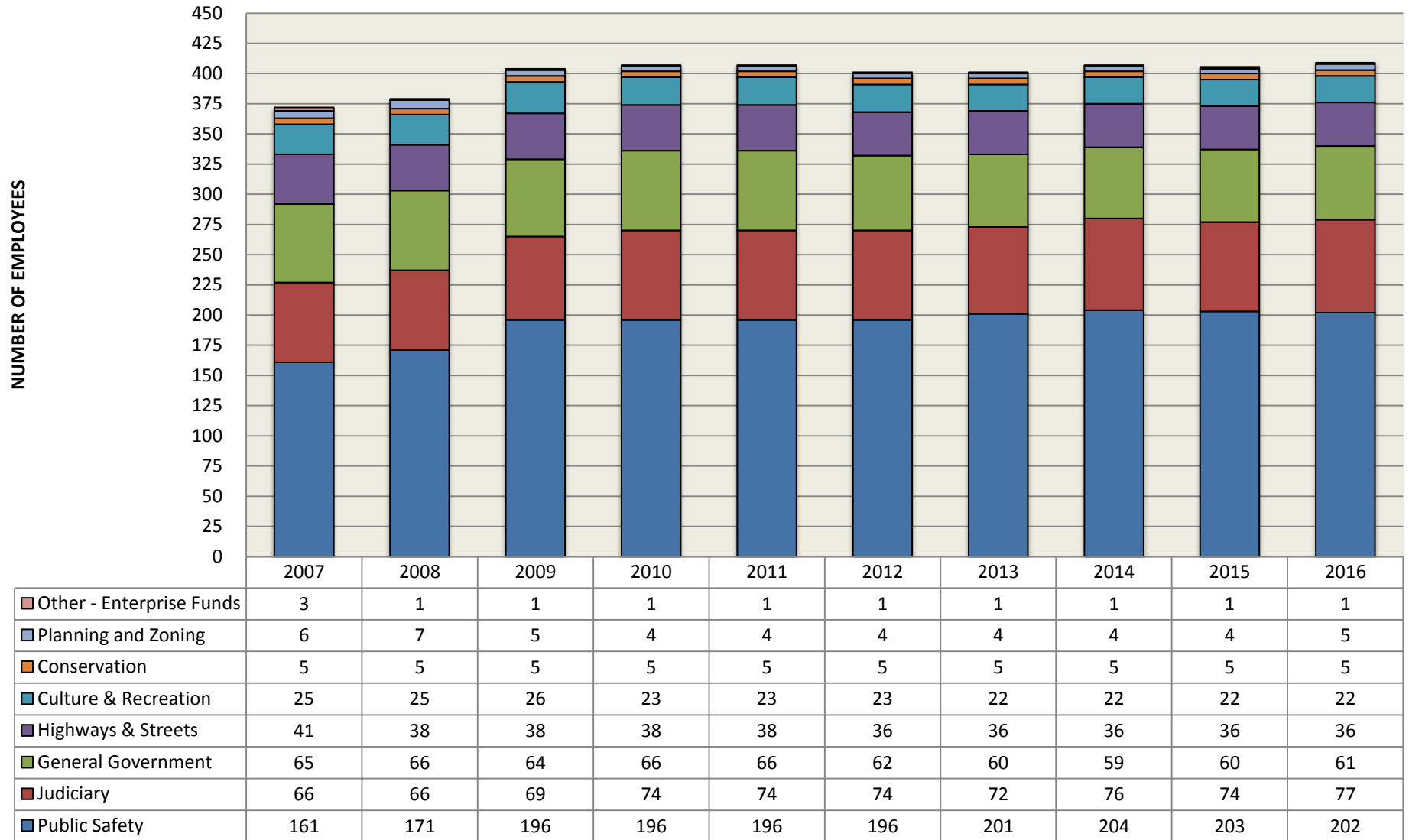
Gordon County, Georgia
County Employees by Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function/program										
General Government										
Board of Commissioners	5	5	5	5	5	5	5	5	5	5
County Attorney	1	1	1	1	1	1	1	0	0	1
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	3	3	3	3	3	3	3	3	3	3
GIS	1	1	1	1	1	1	1	1	1	1
Administration	3	4	4	4	4	3	3	3	3	3
Voter Registration	2	2	2	2	2	2	2	2	2	2
Tax Commissioner	16	16	15	15	15	13	13	13	13	14
Tax Assessor	11	11	11	13	13	13	11	11	12	11
Buildings and Grounds	6	6	5	5	5	5	5	5	5	5
Fleet Management	7	7	7	7	7	6	6	6	6	6
Total General Government	65	66	64	66	66	62	60	59	60	61
Judiciary										
Victim Advocacy	2	2	2	2	2	2	2	3	3	3
Probate Court	5	5	5	5	5	5	5	5	5	6
Juvenile Court	7	7	7	7	7	7	7	8	8	8
Superior Court	20	20	22	26	26	26	26	27	24	24
Magistrate Court	10	10	10	10	10	10	9	10	10	10
Clerk of Superior Court	10	10	11	12	12	12	11	11	11	12
District Attorney	12	12	12	12	12	12	12	12	13	14
Total Courts	66	66	69	74	74	74	72	76	74	77
Public Safety										
Sheriff's Department	50	50	67	71	73	76	76	77	77	76
Jail	37	46	54	50	48	46	46	48	48	48
Emergency Management	2	2	2	2	2	2	2	2	1	1
Animal Control	4	4	4	4	4	4	4	4	4	4
Coroner	2	3	3	3	3	3	3	3	3	3
Fire Department	44	44	44	44	44	43	48	48	48	48
E-911	22	22	22	22	22	22	22	22	22	22
Total Public Safety	161	171	196	196	196	196	201	204	203	202
Highway & Streets										
Public Works	41	38	38	38	38	36	36	36	36	36
Total Highway & Streets	41	38	38	38	38	36	36	36	36	36
Culture & Recreation										
Senior Center	2	2	2	2	2	2	2	2	2	2
Salacoa Creek Park	10	10	10	8	8	8	8	8	8	8
Recreation Department	13	13	14	13	13	13	12	12	12	12
Total Culture & Recreation	25	25	26	23	23	23	22	22	22	22
Conservation										
County Extension Service	5	5	5	5	5	5	5	5	5	5
Total Conservation	5	5	5	5	5	5	5	5	5	5
Planning & Zoning										
Building, Planning, and Development	5	6	5	4	4	4	4	4	4	4
Ordinance Enforcement	1	1	-	-	-	-	-	-	-	1
Total Planning & Zoning	6	7	5	4	4	4	4	4	4	5
Chert Mine										
Chert Mine	3	1	1	1	1	1	1	1	1	1
Total Chert Mine	3	1	1	1	1	1	1	1	1	1
Total	372	379	404	407	407	401	401	407	405	409

Source:

¹ 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

<u>Function/program</u>	Fiscal Year Ended June 30,									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Fire										
Emergency responses	3,482	2,912	2,960	2,900	2,817	2,050	1,980	2,127	3,251	3,464
Fires extinguished	131	177	202	218	217	192	203	272	252	231
Inspections	1,188	864	1,836	1,029	883	1,077	886	635	830	605
Refuse collection										
Refuse collected (tons per day)	730.5	874.3	740.16	656.4	604.68	739.48	603.95	536.84	612.49	652.24
Recyclables collected (tons per day)	6.55	10.62	8.39	9.93	31.65	43.6	33.87	36.93	7.43	5.85
Streets and highways										
Resurfacing (miles)	43.96	20.75	32.36	27.00	41.15	31.56	27.00	32.07	34.00	39.24
Library										
Volumes in collection	84,635	84,635	89,525	90,839	95,796	91,129	90,522	86,924	82,451	85,888
Total volumes borrowed	106,655	128,391	117,408	141,757	129,169	127,078	118,395	99,750	96,402	110,923

Source:

¹ 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,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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)	547	542	559	558.78	558.78	560.4	560.72	558.75	558.75	558.66
Traffic signals	-	-	-	-	-	-	-	-	-	-
Parks and recreation										
Acreage	445	445	445	445	445	445	445	445	510	1,080.50

Source:

¹ Various County Departments.

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JUDY M. FAGAN, C.P.A.
JAN C. GOBLE, C.P.A.
MITZI B. POWELL, C.P.A.

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

To the Board of Commissioners
Gordon County, Georgia

We have audited, in accordance with the 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, the 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, 2016, and the related notes to the financial statements, which collectively comprise Gordon County, Georgia's basic financial statements, and have issued our report thereon dated December 16, 2016. Our report includes a reference to other auditors who audited the financial statements of the Gordon County Health Department, as described in our report on the Gordon County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Gordon County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Gordon County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Gordon County, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Gordon County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A. M. Robbs & Company

Calhoun, Georgia
December 16, 2015

Gordon County, Georgia
Project Cost Schedule for Projects Constructed
With Special Sales Tax Proceeds
From Inception And For The Year Ended June 30, 2016

Project	Original Estimated Cost	Sales Tax Proceeds Expenditures Prior Years	Non-Sales Tax Proceeds Expenditures Prior Years	Sales Tax Proceeds Expenditures Current Year	Non-Sales Tax Proceeds Expenditures Current Year	Total	Estimated Percent of Completion
2012 SPLOST Capital Project:							
Gordon County							
Courthouse	\$ 12,000,000	\$ 51,250	\$ -	\$ 688	\$ -	\$ 51,938	0.43%
Roads and Bridges	7,605,698	556,592	-	2,112,549	-	2,669,141	35.09%
Fire Station & Equip.	4,500,000	900,897	-	1,007,980	-	1,908,877	42.42%
Health Department	3,200,000	-	-	-	-	-	0.00%
Public Safety-							
Communications*	2,800,000	2,637,290	-	-	-	2,637,290	94.19%
Parking Deck*	2,600,000	2,412,811	-	17,418	-	2,430,229	93.47%
Fire Hydrants	2,000,000	800,000	-	400,000	-	1,200,000	60.00%
Public Works-Peters St.*	2,000,000	-	-	1,982,440	-	1,982,440	99.12%
Sheriff-Patrol Cars*	1,500,000	938,605	-	561,393	-	1,499,998	100.00%
Animal Shelter	1,500,000	14,939	-	-	-	14,939	1.00%
Senior Citizens Center	500,000	-	-	-	-	-	0.00%
Brookshire Park	400,000	-	-	-	-	-	0.00%
Library Expansion*	400,000	400,000	-	-	-	400,000	100.00%
City of Calhoun	9,621,049	4,623,457	-	1,586,688	-	6,210,145	64.55%
City of Fairmount	508,154	244,212	-	88,407	-	332,619	65.46%
City of Resaca	338,769	162,819	-	58,447	-	221,266	65.31%
City of Plainville	203,262	97,692	-	35,068	-	132,760	65.31%
Total	\$ 51,676,932	\$ 13,840,564	\$ -	\$ 7,851,078	\$ -	\$ 21,691,642	41.98%
2005 SPLOST Capital Project:							
Gordon County							
Judicial Complex*	\$ 25,000,000	\$ 25,000,000	\$ 4,347,305	\$ -	\$ -	\$ 29,347,305	117.39%
Fire Station*	1,500,000	1,500,000	714,444	-	-	2,214,444	147.63%
Courthouse*	1,000,000	953,230	46,770	-	-	1,000,000	100.00%
Roads and Bridges*	11,500,000	11,500,000	-	-	-	11,500,000	100.00%
Debt Service ¹	-	-	-	582,600	-	582,600	-
City of Calhoun*	10,234,297	10,533,189	-	-	-	10,533,189	102.92%
City of Resaca*	924,106	983,885	-	-	-	983,885	106.47%
City of Plainville*	256,696	316,474	-	-	-	316,474	123.29%
City of Fairmount*	821,427	881,205	-	-	-	881,205	107.28%
City of Ranger*	102,678	162,456	-	-	-	162,456	158.22%
Total	\$ 51,339,204	\$ 51,830,439	\$ 5,108,519	\$ 582,600	\$ -	\$ 57,521,558	112.04%

* Denotes completed project

¹ Excess SPLOST proceeds used to reduce existing County debt.

Gordon County, Georgia
Project Cost Schedule for Projects Constructed
With Special Sales Tax Proceeds-Continued
From Inception And For The Year Ended June 30, 2016

Project	Original Estimated Cost	Sales Tax Proceeds Expenditures Prior Years	Non-Sales Tax Proceeds Expenditures Prior Years	Sales Tax Proceeds Expenditures Current Year	Non-Sales Tax Proceeds Expenditures Current Year	Total	Estimated Percent of Completion
Road Capital Project:							
Gordon County	\$ 11,375,000	\$ 12,266,365	\$ 1,862,265	\$ -	\$ -	\$ 14,128,630	124.21%
City of Calhoun*	4,025,000	4,267,785	-	-	-	4,267,785	106.03%
City of Resaca*	525,000	556,767	-	-	-	556,767	106.05%
City of Plainville	525,000	549,454	-	-	-	549,454	104.66%
City of Fairmount*	525,000	556,668	-	-	-	556,668	106.03%
City of Ranger	525,000	520,785	-	-	-	520,785	99.20%
Total	\$ 17,500,000	\$ 18,717,824	\$ 1,862,265	\$ -	\$ -	\$ 20,580,089	117.60%

* Denotes completed project

Gordon County, Georgia
Notes to Project Cost Schedule for Projects Constructed
With Special Sales Tax Proceeds
For the Year Ended June 30, 2016

The accompanying project cost schedule includes information required by state statute. This information is presented on the modified accrual basis of accounting, consistent with generally accepted accounting principles for government fund financial statements.

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