

GORDON COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2011

***Prepared by:
Finance Department***

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Gordon County, Georgia
Comprehensive Annual Financial Report
For the Year Ended June 30, 2011

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Gordon County Board of Commissioners

Board of Commissioners

Judy W. Bailey, Chairman
Becky Hood, Vice Chairman
Alvin Long, Commissioner
G.W. Townsend, Commissioner
Chad Steward, Commissioner

Randall G. Dowling, Administrator
rdowling@gordoncounty.org

Annette Berry, County Clerk
aberry@gordoncounty.org

December 6, 2011

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, 2011.

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, 2011, 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, 2011, 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, 2011, are fairly presented in conformity with GAAP. R.M. Dobbs and Company's audit is presented as the first component of the financial section of this report.

GAAP requires that county management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A) report. This letter of transmittal is designed to complement the county's MD&A and should be read in conjunction with it. The Gordon County MD&A can be found immediately following the independent auditors' report.

Profile of the Gordon County Government

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

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

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

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

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

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

The county's annual budget represents the plan for providing needed public services for each fiscal year and serves as the foundation for the county's financial planning and control. All county department directors, constitutional officers, other elected officials, and outside agencies are required to submit requests for appropriations to the county administrator, who in turn, prepares and submits a recommended budget to the

Board of County Commissioners. The Board reviews the recommended budget and conducts a state required budget public hearing to obtain citizen comments. After the public hearing, the Board then adopts the budget no later than June 30 of each year. The approved budget is prepared by fund and department. Department directors, constitutional officers, and other elected officials may make transfers of appropriations between line-items within their departments with the exception of salaries. However, appropriations from the salary line item and transfers between departments require approval from the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Conditions

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

Local Economy

During the fiscal year, the local Gordon County economy continued its lackluster performance that mirrored the regional and national economies. The county has seen its overall real property tax assessments decrease about 5% from the previous year, the continuation of home foreclosures, a decrease in building permits, and a slight decrease in the unemployment rate from 12.4% in July 2010 to 11.7% in June 2011. To combat these unfavorable economic times, the local Chamber of Commerce continued the “Keep it in the County” campaign to build awareness of the benefits of shopping locally and worked to have the county designated by the state as a “Work Ready” and “Camera Ready” community to boost economic development. In addition, the local Development Authority continued to aggressively recruit new businesses and industrial prospects by showcasing the county’s great location, moderate climate, availability of utilities, land, skilled work force, and business incentives.

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

The **industrial sector** saw significant activity during the year. Engineered Flooring, Inc., the largest wool supplier in the U.S. and maker of yarn and carpet expanded its McDaniel Station Industrial Park operations by adding 200 new jobs during the year bringing their total employment to 500. Kobelco recalled 70 laid-off employees and improved their internal machinery to construct heavy earth moving equipment. Dynamic Corp., headquartered in Spain and manufacturer of luggage conveyor systems for airports, leased 60,000 square feet of existing industrial space and made a \$2-3M investment that created 50 new jobs. KAS Oriental Rugs purchased an existing 110,000 square foot spec building to warehouse and distribute their product and made a \$2M investment that created 40 new jobs. LG Hausys America, Inc., manufacturer of solid surface countertops, completed a \$40M, 95,000 square foot expansion and also leased an existing 150,000 square foot warehouse to store and distribute their product and created 80 new jobs. National Distribution Centers expanded their operation by leasing 112,500 square feet of warehouse space. Lastly, Chandra Rugs purchased an existing 60,000 square foot warehouse to expand their operations, Surya Rugs moved into an 112,500 square foot leased warehouse space, and Brumlow Mills expanded their operations by 108,000 square feet. In addition, the Chamber of Commerce and the Development Authority continued to target suppliers to the new Chattanooga, TN Volkswagen manufacturing plant and introduced them to Gordon County, only 45 minutes away.

The **retail sector** was relatively stable. Greater Community Bank of Calhoun, a subsidiary of Greater Rome Bank, opened during the year. Pony Express Mail & More, a full-service postal and business center, began operations. The Calhoun Premium Outlet Mall saw three new stores open and one closed. The three new retail stores were Skechers Shoes, Sunglass Warehouse, and Ann Taylor Loft. The Liz Claiborne store closed. Unfortunately, the local Comcast cable television office closed and transferred those services to Rome, Cartersville, or on-line, Georgia Bank & Trust eliminated several positions, and the state did not renew the annual state sales tax holiday due to state budget constraints that affected the county’s sales tax collections.

Regarding the **government sector**, the Georgia General Assembly, at the county's request, created the Gordon County Public Facilities Authority as a mechanism to borrow funds at low interest rates for needed public purposes. The county received \$1.3M in federal stimulus funds to replace the bridge on County Line Road at Pole Cat creek. The Board of County Commissioners slightly increased the millage rate from 8.81 mills for 2009 to 8.91 mills for 2010, the roll-back rate, and continued temporary county employee benefit reductions to counter the anticipated decrease in property tax and sales tax revenue.

Gordon County's housing market continued to see a significant decline in building activity compared to previous years. During calendar year 2010, 31 single family home permits, 43 mobile home permits, and 3 commercial permits were issued for the unincorporated area of the county. In addition, only 5 rezoning cases were heard.

The Georgia Department of Natural Resources continued the planning of a new 500 acre Resaca Battlefield State Historic Site located on I-75 and SR 136. Once this new state historic site is completed, the park is expected to generate tourism dollars for the county.

Regarding the **health care sector**, Gordon Hospital added a cardiac rehabilitation program to assist patients with recovering more quickly following surgery to improve their overall physical, mental, and social functions, introduced two new hyperbaric pressure chambers to treat wounds, and is planning to construct a cancer center to provide radiation therapy for cancer patients after receiving a certificate of need from the Georgia Department of Community Health. In addition, the hospital continued construction on its maternity center, remodeled and redesigned patient rooms, added a new and expanded laboratory to increase response times on test results for patients, and added new physicians to its medical staff. Lastly, the hospital provided more than \$12M in community benefits with \$4.3M going to charity care.

In the **education sector**, the state approved Charter School status for both the county and city school systems to allow the school systems more flexibility to create innovative ways of increasing student achievement. Both school systems received designation from the state as a College and Career Academy to allow student collaboration with local industry and technical colleges. Lastly, voters approved a continuation of the 1% Education SPLOST for five years to raise \$59,500,000 so both county and city school systems can construct needed improvements such as a new Calhoun High School and Middle School complex housing a college and career academy, technology upgrades, new county middle school, renovations to Fairmount Elementary school, auditorium, and new gyms, among other improvements. Georgia Northwest Technical College completed the construction of a new three story, 46,000 square foot, \$9.6M third building for classrooms, library, and labs.

Long-Term Financial Planning and Major Initiatives

Gordon County has completed all of its major projects funded by the six year special purpose local option sales tax (SPLOST) that was voter approved during November 2005 and is in effect from April 1, 2006 until March 31, 2012. Those completed projects include a new \$30M, 101,000 square feet, 376 bed Jail and Sheriff Offices, new \$2.5M, 8,000 square foot, two bay Fire Station No. 5, courthouse roof replacement and plaza renovations, and various road and bridge improvements. Road improvements are on-going.

Gordon County is preparing for the next SPLOST election scheduled for November 2011 to ask the voters to continue the local 1% sales tax for various needed public improvements. In addition, the county is also preparing for the upcoming state-wide 1% Transportation SPLOST election scheduled for summer 2012.

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, 2010. This was the sixth 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,



Randall G. Dowling
County Administrator



Al Leonard, CPA
Finance Director

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, 2010

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



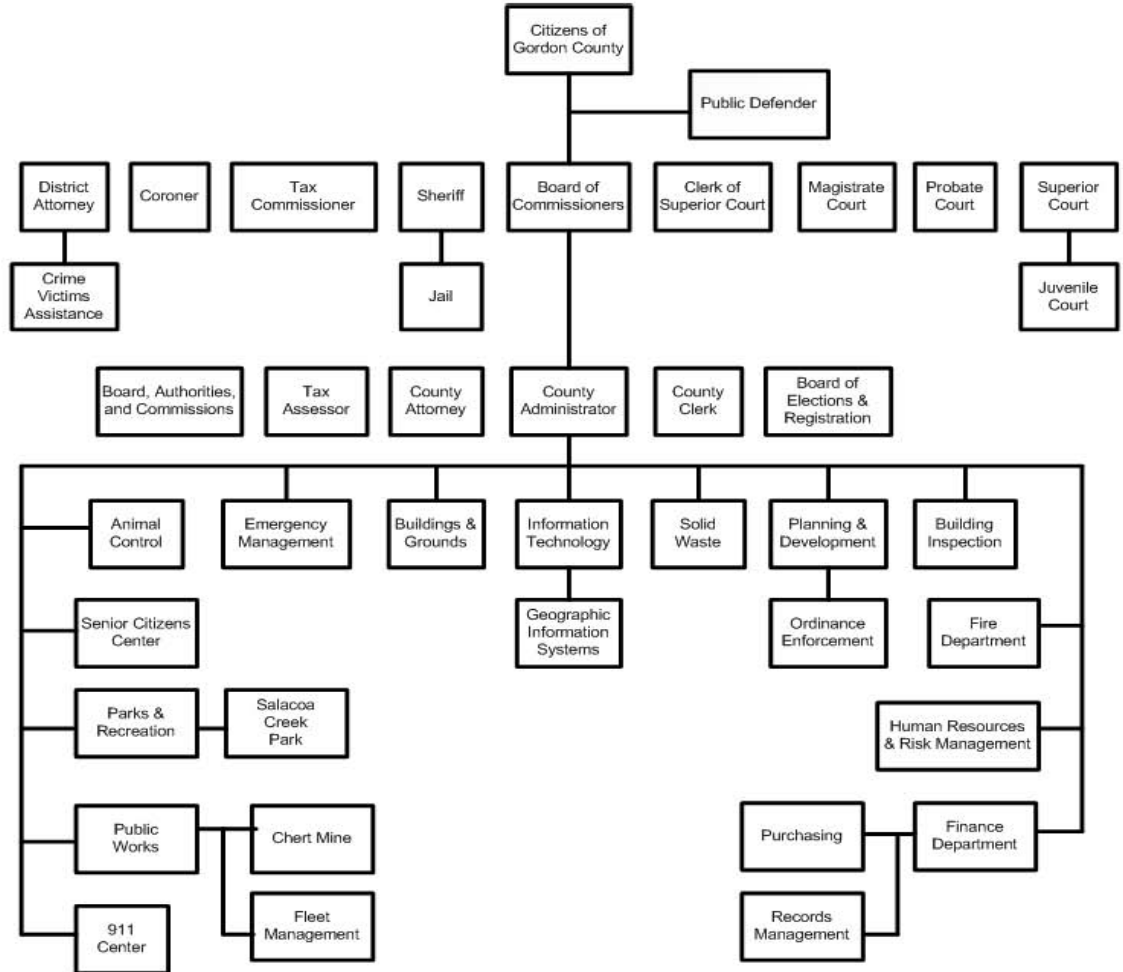
Linda C. Davison

President

Jeffrey R. Enos

Executive Director

Gordon County Organization Chart



Gordon County, Georgia

List of Principal Officials

June 30, 2011

Board of Commissioners

Judy W. Bailey
Becky Hood
Alvin Long
G.W. Townsend
Chad Steward

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

County Administration

Randall G. Dowling
Suzanne Hutchinson
Annette Berry
Al Leonard

County Administrator
County Attorney
County Clerk
Finance Director

R.M. DOBBS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 423

CALHOUN, GEORGIA 30703-0423

706-629-4511

JERRY L. CLEMENTS, C.P.A.

LOUISE MCGOWAN, C.P.A.

JUDY M. FAGAN, C.P.A.

JAN C. GOBLE, C.P.A.

MITZI B. POWELL, C.P.A.

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

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Gordon County, Georgia

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, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Gordon County, Georgia's, management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Gordon County Health Department, which represents 100% of the assets, net assets and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gordon County Health Department, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gordon County, Georgia, as of June 30, 2011, and the respective changes in financial position, and cash flows, where applicable, and the budgetary comparison for the General Fund and Fire Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011, 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 27 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 the 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gordon County, Georgia's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A. M. Robbs & Company

Calhoun, Georgia
December 2, 2011

Gordon County, Georgia
Management's Discussion and Analysis
For the Year Ended June 30, 2011
(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, 2011. 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 by \$116,125,643 (net assets) for the fiscal year reported. This compares to the previous year when total assets exceeded total liabilities by \$112,065,146.
- Total net assets are comprised of the following:
 - (1) Capital assets, net of related debt, of \$78,182,446 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net assets of \$14,638,762 are restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net assets of \$23,304,435 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 \$32,279,136 this year. This compares to the prior year ending fund balance, of \$32,470,798 showing a decrease of \$191,662 during the current year. Unassigned fund balance of \$15,849,624 for fiscal year 2011 shows a \$759,746 increase over the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$15,849,624 or 54.3 % 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 Assets*. 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 assets*. Over time, increases or decreases in net assets 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 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 assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or

Gordon County, Georgia
Management's Discussion and Analysis
For the Year Ended June 30, 2011
(Unaudited)

paid. 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 28-29 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 30-35 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's 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 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 36-39 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 40 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 41-66 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's budget presentations. As discussed above, budgetary comparison statements are included in the basic financial statements for the General Fund and Fire Fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. Combining and individual statements for nonmajor funds are presented in a subsequent section of this report beginning on page 67.

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Financial Analysis of the County as a Whole

The County's total net assets at fiscal year-end are \$116,125,643. This is a \$4,060,497 increase from last year's net assets of \$112,065,146. The table below provides a summary of the County's net assets:

Summary of Net Assets

	Governmental Activities		Business Activities		Total		Percentage of Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Assets:								
Current	\$ 36,359,726	\$ 36,998,047	\$ 8,870,662	\$ 7,575,449	\$ 45,230,388	\$ 44,573,496	32%	31%
Noncurrent								
Deferred costs	243,553	350,348	-	-	243,553	350,348	0%	0%
Capital assets	92,177,359	91,493,602	5,159,213	6,472,227	97,336,572	97,965,829	68%	69%
Total assets	128,780,638	128,841,997	14,029,875	14,047,676	142,810,513	142,889,673	100%	100%
Liabilities:								
Current liabilities	6,974,171	7,600,986	15,832	(781,870)	6,990,003	6,819,116	26%	22%
Long-term liabilities	15,680,098	20,276,642	4,014,769	3,728,769	19,694,867	24,005,411	74%	78%
Total liabilities	22,654,269	27,877,628	4,030,601	2,946,899	26,684,870	30,824,527	100%	100%
Net assets:								
Invested in capital assets, net of related debt	73,023,233	68,200,566	5,159,213	6,472,227	78,182,446	74,672,793	67%	67%
Restricted	14,638,762	15,044,244	-	-	14,638,762	15,044,244	13%	13%
Unrestricted	18,464,374	17,719,559	4,840,061	4,628,550	23,304,435	22,348,109	20%	20%
Total net assets	\$ 106,126,369	\$ 100,964,369	\$ 9,999,274	\$ 11,100,777	\$ 116,125,643	\$ 112,065,146	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 5.21 to 1 and 560.30 to 1 for business-type activities. For the County overall, the current ratio is 6.47 to 1. Note that approximately 68.8% of the governmental activities' net assets are 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 51.6% of its net assets on capital. Capital assets in the business-type activities principally provide solid waste services.

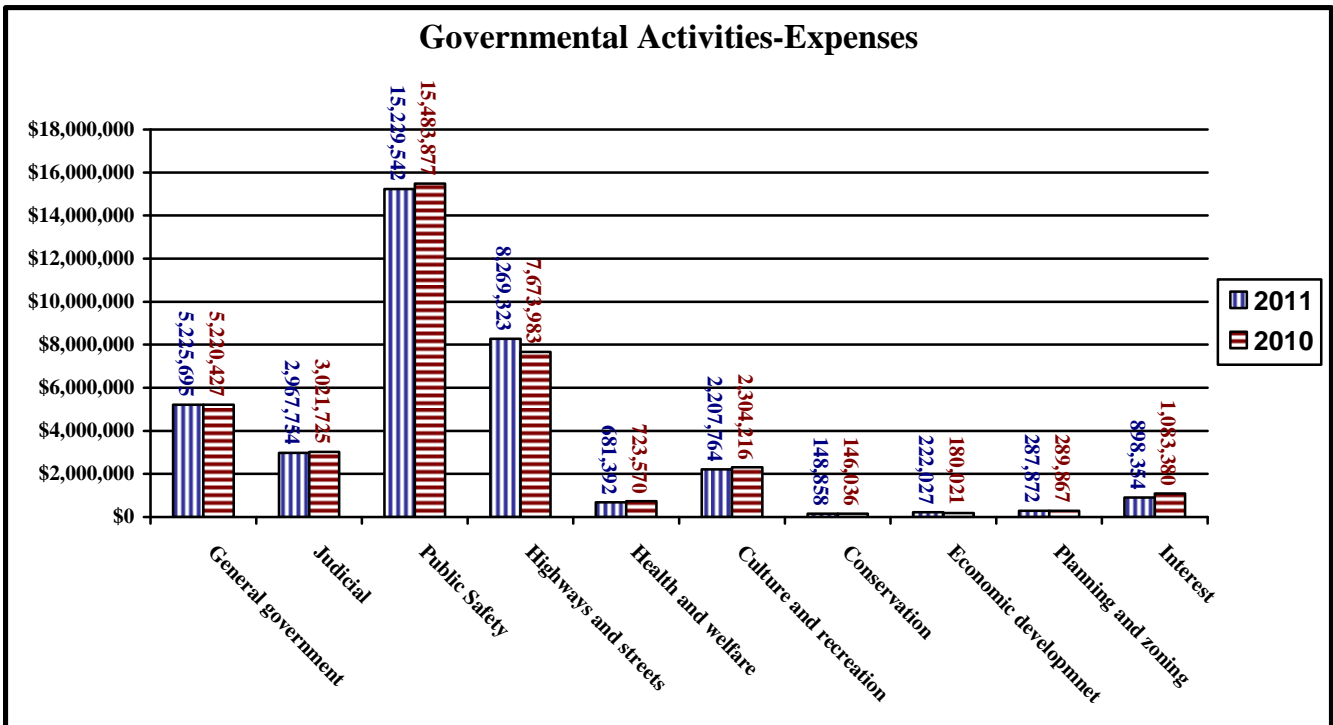
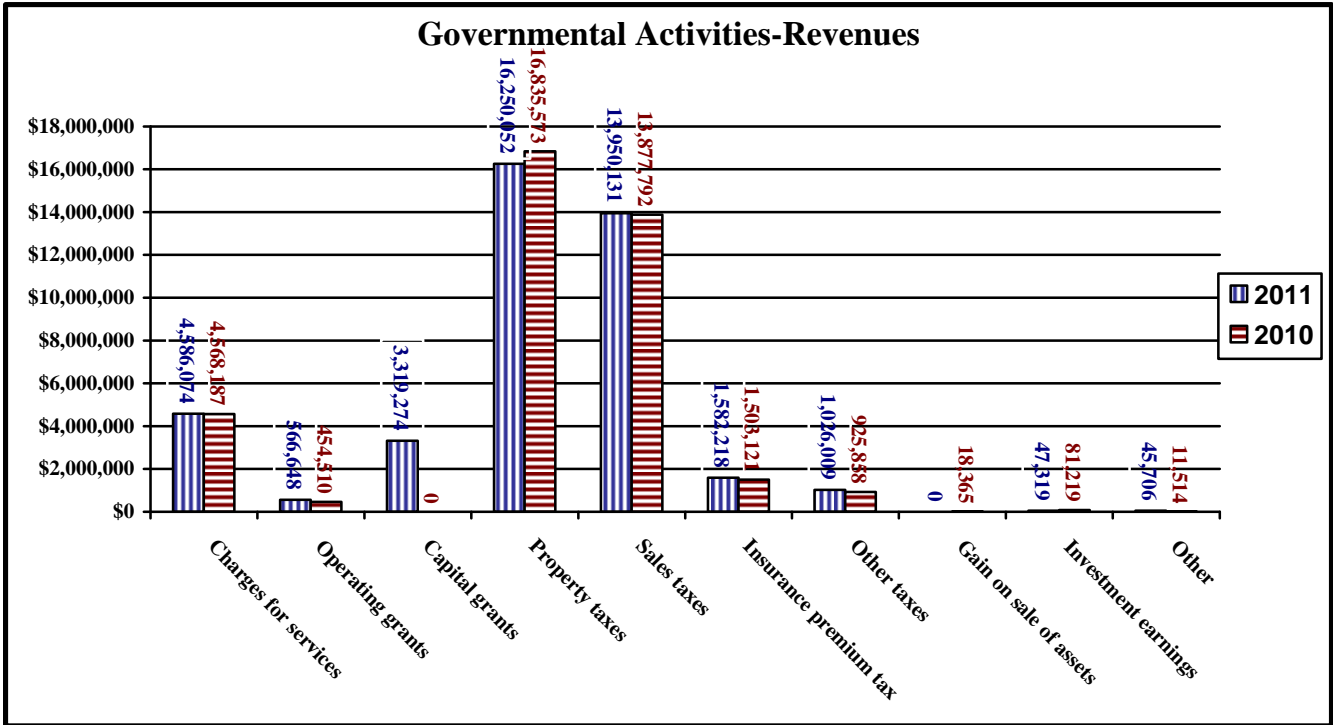
The County reported positive balances in net assets for both governmental and business-type activities. Net assets increased \$5,162,000 for governmental activities and decreased \$1,101,503 for business-type activities. The total net assets increased \$4,060,497 or 3.62%. The increase in invested in capital assets, net of related debt of \$3,509,653 is due principally to the \$3,056,637 purchase of the Resaca Battlefield/Chitwood farm conservation easement. The increase in restricted and unrestricted net assets of \$550,844 is due principally to the increase of fund balance of \$796,359 in the General Fund and \$351,921 in the Fire Fund.

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

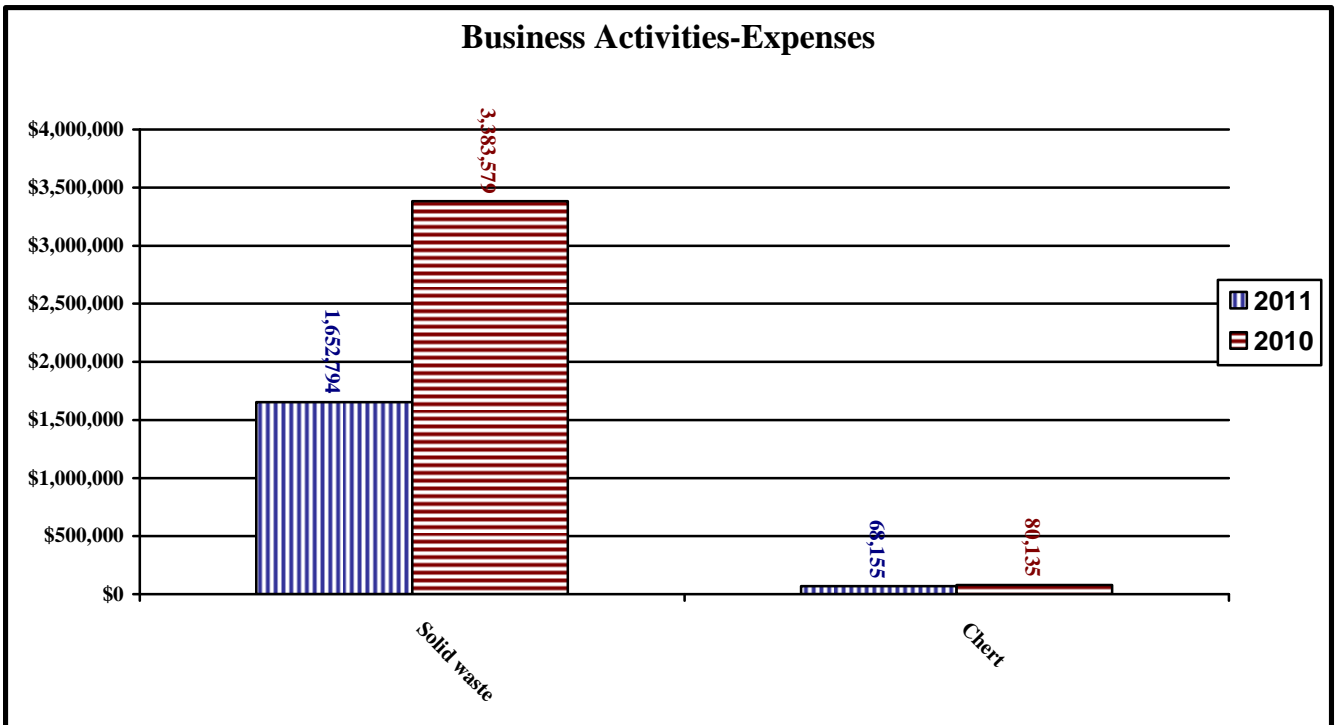
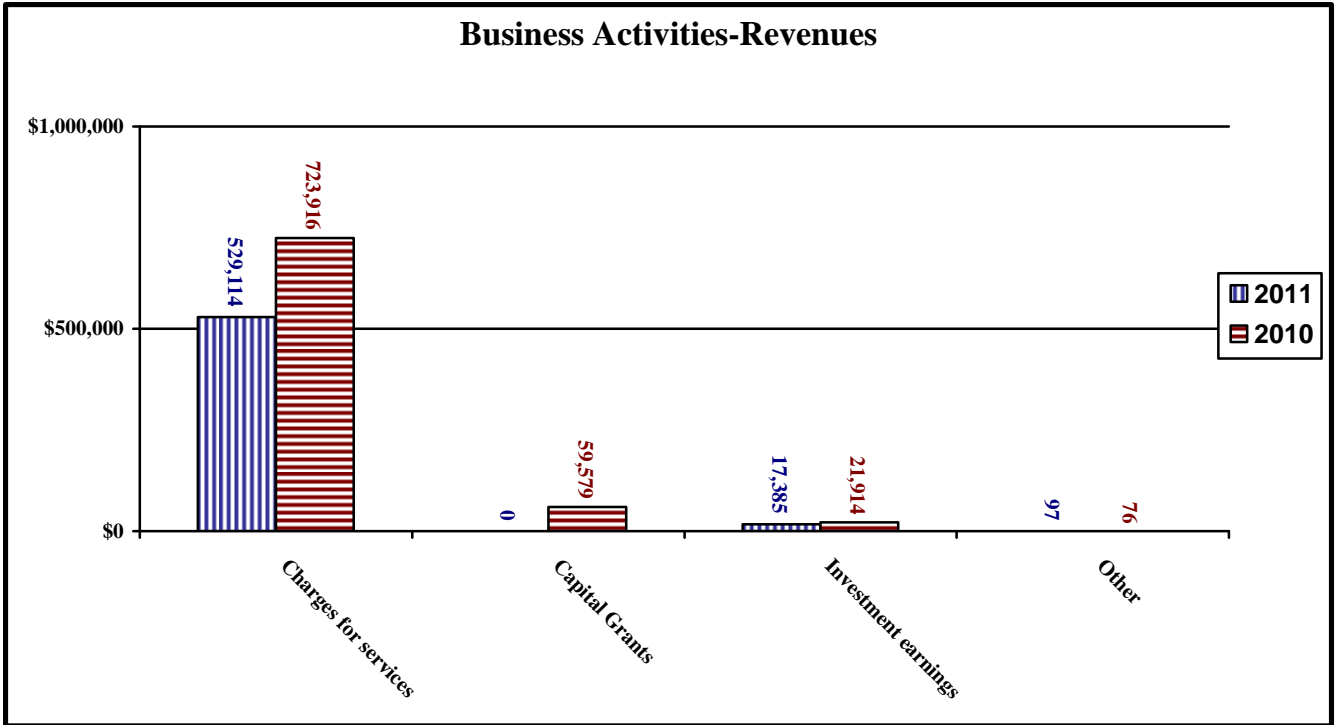
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	Summary of Changes in Net Assets							
	Governmental Activities		Business Activities		Total		Percentage of Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Revenues:								
Program:								
Charges for services	\$ 4,586,074	\$ 4,568,187	\$ 529,114	\$ 723,916	\$ 5,115,188	\$ 5,292,103	12.20%	13.54%
Operating grants	566,648	454,510	-	-	566,648	454,510	1.35%	1.16%
Capital grants	3,319,274	-	-	59,579	3,319,274	59,579	7.92%	0.15%
General:								
Property taxes	16,250,052	16,835,573	-	-	16,250,052	16,835,573	38.76%	43.08%
Sales taxes	13,950,131	13,877,792	-	-	13,950,131	13,877,792	33.28%	35.51%
Insurance prem. taxes	1,582,218	1,503,121	-	-	1,582,218	1,503,121	3.77%	3.85%
Other taxes	1,026,009	925,858	-	-	1,026,009	925,858	2.45%	2.37%
Gain on sale of assets	-	18,365	-	-	-	18,365	0.00%	0.05%
Investment earnings	47,319	81,219	17,385	21,914	64,704	103,133	0.15%	0.26%
Other	45,706	11,514	97	76	45,803	11,590	0.12%	0.03%
Total revenues	41,373,431	38,276,139	546,596	805,485	41,920,027	39,081,624	100.0%	100.0%
Expenses:								
General government	5,225,695	5,220,427	-	-	5,225,695	5,220,427	13.80%	13.19%
Judicial	2,967,754	3,021,725	-	-	2,967,754	3,021,725	7.84%	7.63%
Public safety	15,229,542	15,483,877	-	-	15,229,542	15,483,877	40.23%	39.11%
Highways and streets	8,269,323	7,673,983	-	-	8,269,323	7,673,983	21.84%	19.38%
Health and welfare	681,392	723,570	-	-	681,392	723,570	1.80%	1.83%
Culture and recreation	2,207,764	2,304,216	-	-	2,207,764	2,304,216	5.84%	5.82%
Conservation	148,858	146,036	-	-	148,858	146,036	0.39%	0.37%
Economic develop.	222,027	180,021	-	-	222,027	180,021	0.59%	0.45%
Planning and zoning	287,872	289,867	-	-	287,872	289,867	0.76%	0.73%
Interest	898,354	1,083,380	-	-	898,354	1,083,380	2.37%	2.74%
Solid waste	-	-	1,652,794	3,383,579	1,652,794	3,383,579	4.37%	8.55%
Chert	-	-	68,155	80,135	68,155	80,135	0.17%	0.20%
Total expenses	36,138,581	36,127,102	1,720,949	3,463,714	37,859,530	39,590,816	100.0%	100.0%
Excess (Deficiency)	5,234,850	2,149,037	(1,174,353)	(2,658,229)	4,060,497	(509,192)		
Transfers	(72,850)	(86,950)	72,850	86,950	-	-		
Change in net assets	5,162,000	2,062,087	(1,101,503)	(2,571,279)	4,060,497	(509,192)		
Beginning net assets	100,964,369	98,902,282	11,100,777	13,672,056	112,065,146	112,574,338		
Ending net assets	\$ 106,126,369	\$ 100,964,369	\$ 9,999,274	\$ 11,100,777	\$ 116,125,643	\$ 112,065,146		

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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 39.3% of the County's total governmental revenues. Sales taxes are the second largest revenue source with over \$13 million of revenues or 33.7% of the total governmental revenues. Sales taxes and property taxes together provided 73.0% and 80.2% of the total governmental revenues for the years ended June 30, 2011 and 2010, respectively. Governmental activities revenues increased \$3,097,292 from FY 2010. This increase is due principally to the increase in capital grants of \$3,319,274 in FY 2011 from \$0 in FY 2010.

Governmental Activities Expenses

The public safety and highways and streets functions account for 65.0% and 64.1% of the total governmental expenses for the years ended June 30, 2011 and 2010, respectively. Judicial, general government and recreation expenses are the second largest expenses and represent 28.8% and 29.2% of the total governmental expenses for the years ended June 30, 2011 and 2010, respectively. Governmental activities expenses increased just \$11,479 from FY 2010. This increase is due principally due to slight increases in expenses in general government, highways and streets, conservation, and economic development.

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 \$17,201,601. Of this year-end total, \$15,849,624 is unassigned indicating availability for continuing County service requirements. Nonspendable fund balance includes \$333,204 set aside for prepaid items and committed fund balance of 1,018,773 committed for employee health insurance. Ninety-two percent or \$15,849,624 of the total fund balance is attributed to the unassigned fund balance.

The General Fund total expenditures increased \$3,166,305 in 2011 from 2010. The following highlight the significant changes from the previous year.

1. Increase in total capital outlay in Intergovernmental by \$3,374,503 from the previous year due to a Federal grant the County received for \$1,350,000 to purchase a conservation easement to the Resaca Battlefield/Chitwood Farm. The County contributed \$100,000 to this purchase along with a \$1,506,637 contribution from the Trust for Public Land and \$100,000 contribution from the Civil War Preservation Trust for a total of \$3,056,637.
2. The County received a Federal Community Block Grant to construct a multi-purpose building for Tallatoona CAP, Inc. which increased Intergovernmental capital outlay by \$300,559.

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	<u>2011</u>	<u>2010</u>	<u>Dollar Increase (Decrease)</u>	<u>Percent Increase -Decrease</u>
Expenditures				
Current				
General government	\$ 8,167,566	\$ 5,021,580	\$ 3,145,986	62.65%
Judicial	2,723,796	2,765,007	(41,211)	-1.49%
Public safety	9,324,224	9,415,563	(91,339)	-0.97%
Highways and streets	2,931,294	2,763,579	167,715	6.07%
Health and welfare	681,392	723,570	(42,178)	-5.83%
Culture and recreation	1,783,370	1,800,752	(17,382)	-0.97%
Conservation	143,606	145,070	(1,464)	-1.01%
Economic development	198,281	155,634	42,647	27.40%
Planning and zoning	283,979	290,273	(6,294)	-2.17%
Debt service				
Principal retirement	408,025	396,631	11,394	2.87%
Interest and fiscal charges	206,475	208,044	(1,569)	-0.75%
Total Expenditures	<u>\$ 26,852,008</u>	<u>\$ 23,685,703</u>	<u>\$ 3,166,305</u>	<u>13.37%</u>

The General Fund revenues increased \$3,226,684 in 2011 from 2010. This increase is due to Intergovernmental revenues increasing \$1,975,354 due to a \$1,350,000 grant for the Resaca Battlefield/Chitwood Farm conservation easement purchase and \$344,059 in Georgia DOT LARP funding that was received in the current fiscal year but not received in the previous fiscal year. Also, contributions and donations increased \$1,605,504 from the previous year due to contributions of \$1,506,637 from the Trust for Public Land and \$100,000 from the Civil War Preservation Trust that went toward the purchase of the Resaca Battlefield/Chitwood Farm conservation easement purchase.

	<u>2011</u>	<u>2010</u>	<u>Dollar Increase (Decrease)</u>	<u>Percent Increase -Decrease</u>
Revenues				
Taxes	\$ 22,437,781	\$ 22,846,756	\$ (408,975)	-1.79%
Licenses and permits	136,897	127,135	9,762	7.68%
Intergovernmental	2,399,089	423,735	1,975,354	466.18%
Charges for services	1,658,153	1,542,043	116,110	7.53%
Fines and forfeitures	1,120,307	1,191,024	(70,717)	-5.94%
Investment earnings	42,682	45,455	(2,773)	-6.10%
Contributions and donations	1,613,597	8,093	1,605,504	19838.18%
Miscellaneous	352,384	349,965	2,419	0.69%
Total Revenues	<u>\$ 29,760,890</u>	<u>\$ 26,534,206</u>	<u>\$ 3,226,684</u>	<u>12.16%</u>

Fire Fund – This fund reported expenditures in excess of revenues of \$1,371,452. However, the General Fund transferred \$1,721,156 to this fund to support its operation. The ending fund balance still totals over \$1.7 million.

2005 SPLOST Projects Fund – This fund recognized \$8,315,656 in revenue and spent \$1,654,131 on capital outlay, \$4,799,638 on debt service, \$2,815,452 on intergovernmental payments to cities. At the end of the year, fund balance totaled \$11,642,536.

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Recreation Projects Fund – This fund recognized \$169 in revenue and spent \$25 on capital outlay, spent \$22,919 on intergovernmental payments to cities and spent \$102,000 on debt service. At the end of the year, fund balance totaled \$3,750.

Road Projects Fund – This fund recognized \$424 in revenue and spent \$85,892 on capital outlay and \$101,927 on intergovernmental payments to cities. At the end of the year, fund balance totaled \$83,246.

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. This fund reported an operating loss of \$1,165,332 and generated a net increase in cash and cash equivalents of \$1,238,829 in fiscal year 2011.

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General Fund Budgetary Highlights

The original fiscal year 2011 adopted budget anticipated no decrease in its fund balance. The revised budget anticipated funding expenditures with \$494,000 of fund balance. The actual fund balance increase was \$796,359, reflecting a positive variance from the revised budget of \$1,290,359.

The 2011 General Fund was able to achieve the positive variance of \$1,290,359 principally by actual expenditures coming in under budget by \$2,506,536. However, actual revenues ended up coming under budget by \$241,849. The positive variance in expenditures was achieved by actual expenditures being less than budgeted expenditures, which led management to decide not to transfer the budgeted amount of \$813,741 from the enterprise funds to the general fund and only transfer \$150,000 of the budgeted amount of \$364,907 from the special revenue funds to the general fund. Salaries in all departments came in under budget by \$550,910. This occurred due to the continuation from the previous year of delaying the hiring of authorized positions, not hiring some authorized positions at all, and implementation of the five furlough days that were authorized by the Board. Group insurance in all departments came in under budget by \$601,932. This occurred to not filling authorized positions as well as insurance claims being less than projected for the year. The positive variance in Intergovernmental-Capital outlay of \$858,012 occurred due to the Board voting against building the solar farm at the Harris Beamer Landfill which was budgeted at \$320,000 and the Tallatoona CDBG Grant project being partially completed during the fiscal year and coming under budget by \$345,441. The most significant budgeted revenues and expenditures are as follows:

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Transfers in from Enterprise funds	\$ 813,741	\$ 813,741	\$ -	\$ (813,741)
Intergovernmental -DCA-CDBG Grant	-	500,000	139,000	(361,000)
Intergovernmental-Federal Stimulus Grants	353,496	368,496	43,536	(324,960)
Expenditures:				
Intergovernmental-Capital outlay	540,000	4,242,637	3,384,625	858,012
Salaries-All Departments	10,862,787	11,210,229	10,659,319	550,910
Group insurance-All Departments	3,818,214	3,455,061	2,853,129	601,932

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, 2011, was \$92,177,359 and \$5,159,213 respectively. The investment in capital assets for governmental activities increased .75% and investments in capital assets for business type activities decreased 20.29%. The overall decrease was .64% for the County taken as a whole.

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

- Resaca Battlefield/Chitwood Farm conservation easement \$3,056,637
- Courthouse renovations \$ 431,946

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	
	2011	2010	2011	2010	2011	2010
Nondepreciable assets:						
Land	\$ 18,761,203	\$ 15,418,931	\$ 703,928	\$ 703,928	\$ 19,465,131	\$ 16,122,859
Construction in progress	1,296,798	813,947	-	-	1,296,798	813,947
Total nondepreciable assets	20,058,001	16,232,878	703,928	703,928	20,761,929	16,936,806
Depreciable assets:						
Improvements	9,493,448	9,493,448	4,110,891	4,110,891	13,604,339	13,604,339
Buildings	54,083,957	53,988,752	923,648	923,648	55,007,605	54,912,400
Machinery and equipment	10,581,050	10,556,789	4,034,634	4,063,704	14,615,684	14,620,493
Landfill cell space	-	-	14,807,419	14,807,419	14,807,419	14,807,419
Infrastructure	55,497,850	55,340,020	-	-	55,497,850	55,340,020
Total depreciable assets	129,656,305	129,379,009	23,876,592	23,905,662	153,532,897	153,284,671
Less accumulated depreciation	57,536,947	54,118,285	19,421,307	18,137,363	76,958,254	72,255,648
Book value - depreciable assets	\$ 72,119,358	\$ 75,260,724	\$ 4,455,285	\$ 5,768,299	\$ 76,574,643	\$ 81,029,023
Book value - all capital assets	\$ 92,177,359	\$ 91,493,602	\$ 5,159,213	\$ 6,472,227	\$ 97,336,572	\$ 97,965,829
Percentage depreciated	44%	42%	81%	76%	50%	47%

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 \$19,409,670. During the year the County made lease payments of \$4,576,334. 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
	2011	2010	2011	2010	2011	2010	
	Capital leases	\$ 19,409,670	\$ 23,986,004	\$ -	\$ -	\$ 19,409,670	
Unamortized debt premium	183,229	328,345	-	-	183,229	328,345	(145,116)
Landfill closure and postclosure care	-	-	4,016,029	3,730,154	4,016,029	3,730,154	285,875
Compensated absences	829,807	748,928	4,122	3,923	833,929	752,851	81,078
Total	\$ 20,422,706	\$ 25,063,277	\$ 4,020,151	\$ 3,734,077	\$ 24,442,857	\$ 28,797,354	\$ (4,354,497)

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

Economic Factors and Next Year's Budgets

Local option sales taxes revenues for the first two months of fiscal year 2012 are reflecting a 6% increase over the same period in fiscal year 2011. Local option sales taxes decreased 0.48% from fiscal year 2010 to 2011. The County continues to feel the national economic slowdown and had an unemployment rate of 11.6% as of July 2011. The fiscal year 2012 net maintenance and operation property tax digest shows a decrease of 11.2% over the fiscal year 2011 digest and the millage rate in fiscal year 2012 reflects a .881 mill increase over the fiscal year 2011 millage rate.

The County adopted its fiscal year 2012 budget on June 21, 2011. The General Fund budget for fiscal year 2012 reflected revenues and other financing sources of \$29,714,371 and expenditures and other financing uses of \$29,714,371. This budget reflects a decrease from the fiscal year 2011 budget of \$3,261,154 in revenues, other financing sources and use of fund balance reserves and a decrease of \$3,755,154 in expenditures and other financing uses.

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
210 North Wall Street
Calhoun, Georgia 30701 Telephone 706-879-2190

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Gordon County, Georgia
Statement of Net Assets
June 30, 2011

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents	\$ 29,470,215	\$ 8,713,947	\$ 38,184,162	\$ 874,221
Receivables				
Accounts	214,483	156,715	371,198	46
Property taxes	2,760,712	-	2,760,712	-
Sales taxes	1,172,480	-	1,172,480	-
Intergovernmental	1,958,616	-	1,958,616	138,864
Prepaid items	344,447	-	344,447	655
Restricted assets:				
Cash and cash equivalents	438,773	-	438,773	257
Total Current Assets	36,359,726	8,870,662	45,230,388	1,014,043
Noncurrent Assets				
Deferred debt issuance costs	243,553	-	243,553	-
Capital assets				
Nondepreciable	20,058,001	703,929	20,761,930	-
Depreciable, net	72,119,358	4,455,284	76,574,642	10,859
Total Noncurrent Assets	92,420,912	5,159,213	97,580,125	10,859
Total Assets	128,780,638	14,029,875	142,810,513	1,024,902
Liabilities				
Current Liabilities				
Accounts payable	1,223,995	9,173	1,233,168	483
Accrued salaries	494,515	1,277	495,792	-
Intergovernmental payable	2,593	-	2,593	26,288
Accrued interest payable	198,419	-	198,419	-
Compensated absences payable	308,335	1,532	309,867	-
Capital leases payable	4,717,288	-	4,717,288	-
Closure and post-closure care payable	-	3,850	3,850	-
Unearned revenue	29,026	-	29,026	-
Total Current Liabilities	6,974,171	15,832	6,990,003	26,771
Long-Term Liabilities (net of current portion)				
Compensated absences payable	521,472	2,590	524,062	47,845
Other postemployment benefits payable	283,015	-	283,015	-
Capital leases payable	14,875,611	-	14,875,611	-
Closure and post-closure care payable	-	4,012,179	4,012,179	-
Total Long-Term Liabilities	15,680,098	4,014,769	19,694,867	47,845
Total Liabilities	22,654,269	4,030,601	26,684,870	74,616
Net Assets				
Invested in capital assets, net of related debt	73,023,233	5,159,213	78,182,446	10,859
Restricted for				
Capital projects	11,290,759	-	11,290,759	-
Public safety	3,348,003	-	3,348,003	-
Unrestricted	18,464,374	4,840,061	23,304,435	939,427
Total Net Assets	\$ 106,126,369	\$ 9,999,274	\$ 116,125,643	\$ 950,286

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Activities
For the Year Ended June 30, 2011

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		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	\$ 5,225,695	\$ 1,001,748	\$ 85,605	\$ -	\$ (4,138,342)	\$ -	\$ (4,138,342)	\$ -
Judicial	2,967,754	283,339	81,959	14,999	(2,587,457)	-	(2,587,457)	-
Public safety	15,229,542	2,939,553	55,025	139,666	(12,095,298)	-	(12,095,298)	-
Highways and streets	8,269,323	68,072	344,059	68,972	(7,788,220)	-	(7,788,220)	-
Health and welfare	681,392	-	-	139,000	(542,392)	-	(542,392)	-
Culture and recreation	2,207,764	191,948	-	2,956,637	940,821	-	940,821	-
Conservation	148,858	-	-	-	(148,858)	-	(148,858)	-
Economic development	222,027	-	-	-	(222,027)	-	(222,027)	-
Planning and zoning	287,872	101,414	-	-	(186,458)	-	(186,458)	-
Interest	898,354	-	-	-	(898,354)	-	(898,354)	-
Total Governmental Activities	36,138,581	4,586,074	566,648	3,319,274	(27,666,585)	-	(27,666,585)	-
Business-Type Activities								
Solid waste management	1,652,794	487,462	-	-	-	(1,165,332)	(1,165,332)	-
Chert	68,155	41,652	-	-	-	(26,503)	(26,503)	-
Total Business-Type Activities	1,720,949	529,114	-	-	-	(1,191,835)	(1,191,835)	-
Total Primary Government	\$ 37,859,530	\$ 5,115,188	\$ 566,648	\$ 3,319,274	(27,666,585)	(1,191,835)	(28,858,420)	-
Component Unit								
Gordon County Health Department	\$ 1,301,080	\$ 582,971	\$ 410,488	\$ -				(307,621)
General Revenues								
Taxes:								
Property taxes					16,250,052	-	16,250,052	-
Sales taxes					13,950,131	-	13,950,131	-
Insurance premium taxes					1,582,218	-	1,582,218	-
Alcohol beverage taxes					199,491	-	199,491	-
Real estate transfers taxes					190,089	-	190,089	-
Other taxes					267,672	-	267,672	-
Payment in lieu of taxes					368,757	-	368,757	-
Payments from Gordon County					-	-	-	405,262
Investment earnings					47,319	17,385	64,704	3,438
Miscellaneous					45,706	97	45,803	2,235
Total General Revenues					32,901,435	17,482	32,918,917	410,935
Transfers					(72,850)	72,850	-	-
Total General Revenues and Transfers					32,828,585	90,332	32,918,917	410,935
Change in Net Assets					5,162,000	(1,101,503)	4,060,497	103,314
Net Assets Beginning of Year					100,964,369	11,100,777	112,065,146	846,972
Net Assets End of Year					\$ 106,126,369	\$ 9,999,274	\$ 116,125,643	\$ 950,286

See accompanying notes to the basic financial statements

Gordon County, Georgia
Balance Sheet
Governmental Funds
June 30, 2011

	<u>General</u>	<u>Fire</u>	<u>2005 SPLOST Projects</u>	<u>Recreation Projects</u>	<u>Road Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets							
Cash and cash equivalents	\$ 16,977,641	\$ 294,470	\$ 10,511,653	\$ 12,000	\$ 83,246	\$ 1,591,205	\$ 29,470,215
Receivables							
Accounts	109,412	2,301	-	-	-	102,770	214,483
Property taxes	2,760,712	-	-	-	-	-	2,760,712
Sales taxes	478,425	-	694,055	-	-	-	1,172,480
Intergovernmental	331,449	1,582,218	-	-	-	44,949	1,958,616
Prepaid items	333,204	11,243	-	-	-	-	344,447
Restricted assets:							
Cash and cash equivalents	-	-	438,773	-	-	-	438,773
Total Assets	\$ 20,990,843	\$ 1,890,232	\$ 11,644,481	\$ 12,000	\$ 83,246	\$ 1,738,924	\$ 36,359,726
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 1,063,150	\$ 29,748	\$ 1,945	\$ 8,250	\$ -	\$ 120,902	\$ 1,223,995
Accrued expenditures	393,038	68,904	-	-	-	32,573	494,515
Intergovernmental payable	2,593	-	-	-	-	-	2,593
Deferred revenue	2,330,461	-	-	-	-	29,026	2,359,487
Total Liabilities	3,789,242	98,652	1,945	8,250	-	182,501	4,080,590
Fund Balances:							
Nonspendable	333,204	11,243	-	-	-	-	344,447
Restricted	-	1,780,337	11,642,536	3,750	83,246	1,556,423	15,066,292
Committed	1,018,773	-	-	-	-	-	1,018,773
Unassigned	15,849,624	-	-	-	-	-	15,849,624
Total Fund Balances	17,201,601	1,791,580	11,642,536	3,750	83,246	1,556,423	32,279,136
Total Liabilities and Fund Balances	\$ 20,990,843	\$ 1,890,232	\$ 11,644,481	\$ 12,000	\$ 83,246	\$ 1,738,924	\$ 36,359,726

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 Assets
June 30, 2011

Total Governmental Fund Balances		\$ 32,279,136
 Amounts Reported for Governmental Activities in the Statement of Activities Are Different Because:		
Capital assets used in governmental activities are not financial resource and therefore are not reported in the funds.		
Cost	\$ 149,714,306	
Less accumulated depreciation	<u>(57,536,947)</u>	92,177,359
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes		2,330,461
Bond issuance costs are reported as debt service expenditures in the governmental fund financial statements but capitalized on the government-wide statement of net assets.		
		243,553
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 assets.		
Capital leases (net of deferred premium)	\$ (19,592,899)	
Accrued interest	(198,419)	
Compensated absences	(829,807)	
Other postemployment benefits	<u>(283,015)</u>	<u>(20,904,140)</u>
Net Assets of Governmental Activities		<u><u>\$ 106,126,369</u></u>

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, 2011

	General	Fire	2005 SPLOST Projects	Recreation Projects	Road Projects	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 22,437,781	\$ 1,582,218	\$ 8,247,277	\$ -	\$ -	\$ 23,746	\$ 32,291,022
Licenses and permits	136,897	43,513	-	-	-	-	180,410
Intergovernmental	2,399,089	-	50,000	-	-	163,521	2,612,610
Charges for services	1,658,153	1,548	-	-	-	918,550	2,578,251
Fines and forfeitures	1,120,307	-	-	-	-	356,382	1,476,689
Investment earnings	42,682	1,416	18,379	169	424	3,222	66,292
Contributions and donations	1,613,597	9,500	-	-	-	-	1,623,097
Miscellaneous	352,384	2,301	-	-	-	-	354,685
Total Revenues	29,760,890	1,640,496	8,315,656	169	424	1,465,421	41,183,056
Expenditures							
Current							
General government	8,167,566	-	-	-	-	-	8,167,566
Judicial	2,723,796	-	-	-	-	183,381	2,907,177
Public safety	9,324,224	2,933,359	-	-	-	1,572,285	13,829,868
Highways and streets	2,931,294	-	-	-	-	-	2,931,294
Health and welfare	681,392	-	-	-	-	-	681,392
Culture and recreation	1,783,370	-	-	-	-	-	1,783,370
Conservation	143,606	-	-	-	-	-	143,606
Economic development	198,281	-	-	-	-	23,746	222,027
Planning and zoning	283,979	-	-	-	-	-	283,979
Intergovernmental	-	-	2,815,452	22,919	101,927	-	2,940,298
Capital Outlay	-	23,963	1,654,131	25	85,892	144,053	1,908,064
Debt Service							
Principal retirement	408,025	52,817	4,035,000	80,492	-	-	4,576,334
Interest and fiscal charges	206,475	1,809	764,638	21,508	-	-	994,430
Total Expenditures	26,852,008	3,011,948	9,269,221	124,944	187,819	1,923,465	41,369,405
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,908,882	(1,371,452)	(953,565)	(124,775)	(187,395)	(458,044)	(186,349)
Other Financing Sources (Uses)							
Transfers in	150,000	1,721,156	-	-	-	533,837	2,404,993
Transfers out	(2,327,843)	-	-	-	-	(150,000)	(2,477,843)
Proceeds from the sale of capital assets	23,575	2,217	-	-	-	-	25,792
Insurance proceeds	41,745	-	-	-	-	-	41,745
Total Other Financing Sources (Uses)	(2,112,523)	1,723,373	-	-	-	383,837	(5,313)
Net Change in Fund Balances	796,359	351,921	(953,565)	(124,775)	(187,395)	(74,207)	(191,662)
Fund Balances Beginning of Year, As Restated	16,405,242	1,439,659	12,596,101	128,525	270,641	1,630,630	32,470,798
Fund Balances End of Year	\$ 17,201,601	\$ 1,791,580	\$ 11,642,536	\$ 3,750	\$ 83,246	\$ 1,556,423	\$ 32,279,136

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, 2011

Net Changes In Fund Balances - Total Governmental Funds \$ (191,662)

**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	\$ (3,686,374)	
Capital outlay	<u>4,406,587</u>	720,213

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. 38,321

The book value of capital assets sold or disposed of are reported on the government-wide statement of activities but not reported in the governmental funds. (36,456)

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 @ 6/30/11	\$ 2,330,461	
Deferred @ 6/30/10	<u>(2,181,830)</u>	148,631

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	\$ (2,404,993)	
Transfers out	<u>2,404,993</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 reported as expenditures in governmental funds.

Liability @ 6/30/11	\$ (198,419)	
Liability @ 6/30/10	<u>256,174</u>	57,755

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 @ 6/30/11	\$ (283,015)	
Liability @ 6/30/10	<u>212,759</u>	(70,256)

Repayment of long-term capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net assets. 4,576,334

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 @ 6/30/11	\$ (829,807)	
Liability @ 6/30/10	<u>748,927</u>	(80,880)

Change In Net Assets of Governmental Activities \$ 5,162,000

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, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 21,690,250	\$ 22,105,398	\$ 22,437,781	\$ 332,383
Licenses and permits	115,375	115,375	136,897	21,522
Intergovernmental	1,031,046	3,320,783	2,399,089	(921,694)
Charges for services	1,290,057	1,316,386	1,658,153	341,767
Fines and forfeitures	1,151,000	1,151,000	1,120,307	(30,693)
Investment earnings	35,000	35,000	42,682	7,682
Contributions and donations	8,000	1,614,637	1,613,597	(1,040)
Miscellaneous	343,000	344,160	352,384	8,224
Total Revenues	25,663,728	30,002,739	29,760,890	(241,849)
Expenditures				
Current				
General government	5,781,396	9,585,252	8,167,566	1,417,686
Judicial	2,938,731	3,009,209	2,723,796	285,413
Public safety	9,621,908	9,838,774	9,324,224	514,550
Highways and streets	2,337,152	3,038,704	2,931,294	107,410
Health and welfare	673,050	681,450	681,392	58
Culture and recreation	1,887,569	1,903,587	1,783,370	120,217
Conservation	157,735	166,019	143,606	22,413
Economic development	198,281	198,281	198,281	-
Planning and zoning	315,032	322,764	283,979	38,785
Debt Service				
Principal retirement	408,026	417,851	408,025	9,826
Interest and fiscal charges	196,653	196,653	206,475	(9,822)
Total Expenditures	24,515,533	29,358,544	26,852,008	2,506,536
Excess of Revenues Over Expenditures	1,148,195	644,195	2,908,882	2,264,687
Other Financing Sources (Uses)				
Transfers in	1,178,648	1,178,648	150,000	(1,028,648)
Transfers out	(2,327,843)	(2,327,843)	(2,327,843)	-
Proceeds from the sale of capital assets	1,000	11,000	23,575	12,575
Insurance proceeds	-	-	41,745	41,745
Total Other Financing Sources (Uses)	(1,148,195)	(1,138,195)	(2,112,523)	(974,328)
Net Change in Fund Balances	\$ -	\$ (494,000)	796,359	\$ 1,290,359
Fund Balances Beginning of Year, As Restated			16,405,242	
Fund Balances End of Year			\$ 17,201,601	

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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 1,530,000	\$ 1,530,000	\$ 1,582,218	\$ 52,218
Licenses and permits	27,500	27,500	43,513	16,013
Intergovernmental	-	5,500	-	(5,500)
Charges for services	20,000	20,000	1,548	(18,452)
Investment earnings	500	500	1,416	916
Contributions and donations	3,000	3,000	9,500	6,500
Miscellaneous	-	-	2,301	2,301
Total Revenues	<u>1,581,000</u>	<u>1,586,500</u>	<u>1,640,496</u>	<u>53,996</u>
Expenditures				
Current				
Public safety				
Personal services and benefits	2,802,275	2,882,423	2,608,880	273,543
Purchased and contracted services	218,350	218,350	123,319	95,031
Supplies	232,600	238,100	201,160	36,940
Capital Outlay	27,000	27,000	23,963	3,037
Debt Service				
Principal retirement	52,818	52,818	52,817	1
Interest and fiscal charges	1,810	1,810	1,809	1
Total Expenditures	<u>3,334,853</u>	<u>3,420,501</u>	<u>3,011,948</u>	<u>408,553</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,753,853)</u>	<u>(1,834,001)</u>	<u>(1,371,452)</u>	<u>462,549</u>
Other Financing Sources				
Transfers in	1,753,853	1,753,853	1,721,156	(32,697)
Proceeds from the sale of capital assets	-	-	2,217	2,217
Total Other Financing Sources	<u>1,753,853</u>	<u>1,753,853</u>	<u>1,723,373</u>	<u>(30,480)</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ (80,148)</u>	351,921	<u>\$ 432,069</u>
Fund Balances Beginning of Year			<u>1,439,659</u>	
Fund Balances End of Year			<u>\$ 1,791,580</u>	

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 8,510,264	\$ 203,683	\$ 8,713,947
Receivables			
Accounts receivable	156,715	-	156,715
Total Current Assets	8,666,979	203,683	8,870,662
Noncurrent Assets			
Capital Assets			
Land	623,929	80,000	703,929
Depreciable, net	4,455,284	-	4,455,284
Total Noncurrent Assets	5,079,213	80,000	5,159,213
Total Assets	13,746,192	283,683	14,029,875
Liabilities			
Current Liabilities			
Accounts payable	8,622	551	9,173
Accrued salaries	-	1,277	1,277
Compensated absences payable	-	1,532	1,532
Closure and post-closure care payable	3,850	-	3,850
Total Current Liabilities	12,472	3,360	15,832
Long-Term Liabilities (net of current portion)			
Compensated absences payable	-	2,590	2,590
Closure and post-closure care payable	4,012,179	-	4,012,179
Total Long-Term Liabilities	4,012,179	2,590	4,014,769
Total Liabilities	4,024,651	5,950	4,030,601
Net Assets			
Invested in capital assets	5,079,213	80,000	5,159,213
Unrestricted	4,642,328	197,733	4,840,061
Total Net Assets	\$ 9,721,541	\$ 277,733	\$ 9,999,274

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Operating Revenues			
Sales	\$ -	\$ 41,652	\$ 41,652
Charges for services	487,462	-	487,462
Miscellaneous	-	97	97
Total Operating Revenues	<u>487,462</u>	<u>41,749</u>	<u>529,211</u>
Operating Expenses			
Personal services and benefits	-	50,504	50,504
Purchased and contracted services	50,287	813	51,100
Supplies	3,618	16,838	20,456
Closure and post-closure care	285,875	-	285,875
Depletion	1,066,134	-	1,066,134
Depreciation	246,880	-	246,880
Total Operating Expenses	<u>1,652,794</u>	<u>68,155</u>	<u>1,720,949</u>
Operating Income (Loss)	<u>(1,165,332)</u>	<u>(26,406)</u>	<u>(1,191,738)</u>
Non-Operating Revenues			
Investment earnings	17,030	355	17,385
Income (Loss) Before Capital Contributions and Transfers In	<u>(1,148,302)</u>	<u>(26,051)</u>	<u>(1,174,353)</u>
Transfers in	-	72,850	72,850
Change in Net Assets	<u>(1,148,302)</u>	<u>46,799</u>	<u>(1,101,503)</u>
Net Assets Beginning of Year	<u>10,869,843</u>	<u>230,934</u>	<u>11,100,777</u>
Net Assets End of Year	<u>\$ 9,721,541</u>	<u>\$ 277,733</u>	<u>\$ 9,999,274</u>

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

	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	\$ 477,221	\$ 41,749	\$ 518,970
Cash payments to employees for services and benefits	-	(50,163)	(50,163)
Cash payments for goods and services	(55,422)	(18,648)	(74,070)
Net Cash Provided (Used) by Operating Activities	<u>421,799</u>	<u>(27,062)</u>	<u>394,737</u>
Cash Flows from Noncapital Financing Activities			
Cash paid for interfund advance	800,000	-	800,000
Transfers in	-	72,850	72,850
Net Cash Provided by Noncapital Financing Activities	<u>800,000</u>	<u>72,850</u>	<u>872,850</u>
Cash Flows from Investing Activities			
Investment earnings	17,030	355	17,385
Net Cash Provided by Investing Activities	<u>17,030</u>	<u>355</u>	<u>17,385</u>
Net Increase in Cash and Cash Equivalents	1,238,829	46,143	1,284,972
Cash and Cash Equivalents Beginning of Year	<u>7,271,435</u>	<u>157,540</u>	<u>7,428,975</u>
Cash and Cash Equivalents End of Year	<u>\$ 8,510,264</u>	<u>\$ 203,683</u>	<u>\$ 8,713,947</u>

(Continued)

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2011

(Continued)

	Business-type Activities - Enterprise Funds		
	Solid Waste Management	Other Proprietary Fund	Total
Reconciliation of Operating (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating (Loss)	\$ (1,165,332)	\$ (26,406)	\$ (1,191,738)
Adjustments			
Depreciation	246,880	-	246,880
Depletion	1,066,134	-	1,066,134
(Increase) Decrease in Assets			
Accounts receivable	(10,241)	-	(10,241)
Increase (Decrease) in Liabilities			
Accounts payable	(1,517)	(997)	(2,514)
Accrued salaries	-	142	142
Compensated absences payable	-	199	199
Closure and post-closure care	285,875	-	285,875
Net Cash Provided (Used) by Operating Activities	\$ 421,799	\$ (27,062)	\$ 394,737

See accompanying notes to the basic financial statements

Gordon County, Georgia
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2011

Assets	
Cash and cash equivalents	<u>\$ 1,764,127</u>
Liabilities	
Due to others	<u>\$ 1,764,127</u>

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, 2011

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Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011 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 assets and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Recreation Project Fund – This fund accounts for the construction of recreation facilities.

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.

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

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

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

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. 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 and current liabilities 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 assets. The statements of changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statements of cash flows provide information about how the County finances and meets the cash flow needs of its proprietary activities.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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.

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

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Deferred revenue is reclassified as “*unearned revenue*” on the government-wide statement of net assets.

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 are essentially demand deposits and are considered cash and cash equivalents.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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

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

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

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. Unbilled solid waste charges are accrued as receivables and revenue at June 30, 2011.

1-E-3 Interfund Balances

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

1-E-4 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

1-E-5 Capital Assets

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

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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:

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

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

1-E-6 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-7 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 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-8 Debt Premiums, Discounts and Issuance Costs

On the government-wide statement of net assets and the proprietary fund type statement of net assets, debt premiums and discounts are netted against debt payable and debt issuance costs are reported as deferred charges. On the government-wide and proprietary fund type statement of activities, debt premiums and discounts and debt issuance costs are deferred and amortized over the life of the debt using the straight-line method.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

1-E-9 Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The County reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management’s intent to set aside these resources for specific services.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by any bond issuance deferral amounts. Net assets 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. All other net assets are reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

1-E-10 Operating Revenues and Expenses

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

1-E-11 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-12 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.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-13 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-14 Comparative Data

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

Note 2 – Stewardship, Compliance and Accountability

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

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

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

The County Administration with the Chairman of the Board of Commissioner's approval may authorize budget transfers within departments, except those related to personnel salary changes. The Board of County Commissioners must approve transfers of personnel salary changes. During the year, the Board of County Commissioners approved budget revisions.

Appropriations are encumbered as a result of purchase orders, contracts or other forms of legal commitments. Encumbrances outstanding at year end are reported as a reservation of fund balance. All annual appropriations lapse at each fiscal year-end and outstanding encumbrances at year-end must be reappropriated in the following fiscal year's budget.

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 Treasury and Fiscal Services. 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, 2011 are as follows:

<u>Credit Risk</u>	<u>Value</u>	<u>Interest Risk</u>
AAAm rated	\$ 35,835,300	59 day WAM

The County had \$800 in cash on hand at June 30, 2011.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Primary Government Cash & Cash Equivalents:

Total cash and cash equivalents reported at June 30, 2011 consisted of the following:

Fund Reporting Level:	
Governmental Funds - Balance Sheet - Unrestricted	\$ 29,470,215
Governmental Funds - Balance Sheet - Restricted	438,773
Proprietary Fund Type Statement of Net Assets	8,713,947
Statement of Fiduciary Assets and Liabilities	<u>1,764,127</u>
 Total	 <u>\$ 40,387,062</u>

Restricted assets include unspent capital lease proceeds to be used to construct jail and fire facilities.

3-B. Receivables

Receivables at June 30, 2011, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants and are reported net of allowance for doubtful accounts of \$748,437.

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, collectibility.

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 2011 is as follows:

Beginning of fiscal year for taxes	July 1, 2010
Millage rate adopted by ordinance	November 19, 2010
County Tax Digest approved by the State of Georgia	November 22, 2010
Real property tax bills and personal property tax bills rendered	December 2, 2010
Real property tax and personal property tax payments due date	February 7, 2011

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the year ended June 30, 2011, was as follows:

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 15,418,931	\$ 3,342,272	\$ -	\$ 18,761,203
Construction in progress	813,947	735,885	253,034	1,296,798
Total nondepreciable capital assets	<u>16,232,878</u>	<u>4,078,157</u>	<u>253,034</u>	<u>20,058,001</u>
Depreciable capital assets:				
Land improvements	9,493,448	-	-	9,493,448
Buildings	53,988,752	95,205	-	54,083,957
Machinery and equipment	10,556,789	328,429	304,168	10,581,050
Infrastructure	<u>55,340,020</u>	<u>157,830</u>	<u>-</u>	<u>55,497,850</u>
Total depreciable capital assets	<u>129,379,009</u>	<u>581,464</u>	<u>304,168</u>	<u>129,656,305</u>
Total capital assets	<u>145,611,887</u>	<u>4,659,621</u>	<u>557,202</u>	<u>149,714,306</u>
Accumulated depreciation:				
Land improvements	1,664,270	303,378	-	1,967,648
Buildings	6,535,107	1,360,238	-	7,895,345
Machinery and equipment	8,488,674	638,109	267,712	8,859,071
Infrastructure	<u>37,430,234</u>	<u>1,384,649</u>	<u>-</u>	<u>38,814,883</u>
Total accumulated depreciation	<u>54,118,285</u>	<u>3,686,374</u>	<u>267,712</u>	<u>57,536,947</u>
Governmental activities capital assets, net	<u>\$ 91,493,602</u>	<u>\$ 973,247</u>	<u>\$ 289,490</u>	<u>\$ 92,177,359</u>

Governmental activities depreciation expense

General government	\$ 331,228
Judicial	45,618
Public safety	1,442,361
Streets and highways	1,470,100
Culture and recreation	<u>397,067</u>
Total governmental activities depreciation expense	<u>\$ 3,686,374</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
Business-type activities:				
Nondepreciable capital assets				
Land	\$ 703,928	\$ -	\$ -	\$ 703,928
Construction in progress	-	-	-	-
Total nondepreciable assets	<u>703,928</u>	<u>-</u>	<u>-</u>	<u>703,928</u>
Depreciable capital assets:				
Improvements	4,110,891	-	-	4,110,891
Buildings	923,648	-	-	923,648
Machinery and equipment	4,063,704	-	29,070	4,034,634
Landfill cell space	<u>14,807,419</u>	<u>-</u>	<u>-</u>	<u>14,807,419</u>
Total depreciable capital assets	<u>23,905,662</u>	<u>-</u>	<u>29,070</u>	<u>23,876,592</u>
Total capital assets	<u>24,609,590</u>	<u>-</u>	<u>29,070</u>	<u>24,580,520</u>
Accumulated depreciation/depletion:				
Improvements	1,831,602	152,130	-	1,983,732
Buildings	358,985	23,091	-	382,076
Machinery and equipment	3,982,381	71,659	29,070	4,024,970
Landfill cell space	<u>11,964,395</u>	<u>1,066,134</u>	<u>-</u>	<u>13,030,529</u>
Total accumulated depreciation/depletion	<u>18,137,363</u>	<u>1,313,014</u>	<u>29,070</u>	<u>19,421,307</u>
Business-type activities capital assets, net	<u>\$ 6,472,227</u>	<u>\$ (1,313,014)</u>	<u>\$ -</u>	<u>\$ 5,159,213</u>

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Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Interfund Balances and Transfers

Interfund transfers for the year ended June 30, 2011, consisted of the following:

Transfers to:	Transfers from:			Total
	General fund	2005 SPLOST project fund	Nonmajor governmental funds	
General fund	\$ -	\$ -	\$ 150,000	\$ 150,000
Fire fund	1,721,156	-	-	1,721,156
Chert fund	72,850	-	-	72,850
Nonmajor governmental funds	<u>533,837</u>	<u>-</u>	<u>-</u>	<u>533,837</u>
Total	<u>\$ 2,327,843</u>	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 2,477,843</u>

The above transfers are used to account for revenues reported in the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and for unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

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, postclosure, 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, 2011 are \$11,033,832.

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 postclosure 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 postclosure costs as an operating expense in each period of operation. The landfill closure and postclosure liability reported at June 30, 2011, in the amount of \$4,016,029 represents the cumulative amount reported to date based on the use of 17.40% of the estimated capacity of the landfill. The remaining estimated cost of closure and postclosure in the amount of \$16,991,928 will be recognized as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2011. 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 46 years, or until the year 2057.

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 postclosure costs is being provided from the accumulated cash reserves of the solid waste management enterprise fund.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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 calculations 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 vertical expansion and design modification, changes in engineering estimates and the completion of Phase 2-1A cell, closure cost expense recognized decreased from \$258,102 in the prior year to \$172,799 post closure expense recognized decreased from \$181,543 in the prior year to \$113,076; and depletion recognized decreased from \$2,599,531 in the prior year to \$1,066,134.

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 year's service. The accrual increases in increments to a maximum of 15 days per year after ten years. There is no requirement that annual leave be taken, but the maximum permissible accumulation is 30 days. At termination, employees are paid for any accumulated annual leave.

3-H. Long-Term Debt

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

	Governmental Activities
Assets:	
Land	\$ 1,676,702
Land improvements	2,231,254
Buildings	44,854,748
Machinery and equipment	2,098,118
Less accumulated depreciation	(5,839,584)
Capital assets, net	\$ 45,021,238

AmSouth Capital Lease (Fire Department) – On November 20, 2003, the County entered into a capital lease agreement at an interest rate of 3.51% with AmSouth to acquire a Tanker for the Fire Department. The lease obligation is effective during the period February 20, 2004 through November 20, 2010. Annual payments of interest and principal began on February 20, 2004. Total payments for the project are \$135,160 (principal of \$119,375 and interest of \$15,785). This obligation was paid in full during the year ended June 30, 2011.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2012	\$ 70,846	\$ 7,879	\$ 78,725
2013	73,752	4,973	78,725
2014	76,775	1,949	78,724
Total	<u>\$ 221,373</u>	<u>\$ 14,801</u>	<u>\$ 236,174</u>

BBT Capital Lease (Fire Department) – On November 10, 2004, the County entered into a capital lease agreement at an interest rate of 3.41% with BB&T Leasing for the purchase of a fire truck. The lease obligation is effective during the period February 10, 2004 through October 01, 2011. Quarterly payments of interest and principal began on January 1, 2005. Total payments for the project are \$314,805 (principal of \$280,000 and interest of \$34,805).

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2012	\$ 22,202	\$ 284	\$ 22,486
Total	<u>\$ 22,202</u>	<u>\$ 284</u>	<u>\$ 22,486</u>

General Electric Membership Corporation Lease – On February 1, 2005 the County entered into a capital lease agreement at an interest rate of 5.00% with General Electric Membership Corporation for the purchase of lighting fixtures, poles and associated equipment for the Sonoraville Recreation Complex. The lease obligation is effective during the period February 1, 2005 through October 15, 2015. Monthly payments of interest and principal began on November 15, 2005. Total payments for the project are \$1,269,000 (principal of \$1,036,405 and interest of \$232,595).

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2012	\$ 81,604	\$ 17,396	\$ 99,000
2013	85,779	13,221	99,000
2014	90,167	8,833	99,000
2015	94,781	4,219	99,000
2016	32,662	337	32,999
Total	<u>\$ 384,993</u>	<u>\$ 44,006</u>	<u>\$ 428,999</u>

General Electric Membership Corporation Lease – On March 21, 2006 the County entered into a capital lease agreement at an interest rate of 5.00% with General Electric Membership Corporation for the purchase of lighting fixtures, poles and associated equipment for the Ooky Faith Park. The lease obligation is effective during the period March 21, 2006 through June 15, 2011. Monthly payments of interest and principal began on December 15, 2006. Total payments for the project were \$21,000 (principal of \$19,088 and interest of \$1,912).

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2012	\$ 1,234	\$ 15	\$ 1,249
Total	<u>\$ 1,234</u>	<u>\$ 15</u>	<u>\$ 1,249</u>

ACCG Capital Lease - Certificates of Participation - Series 2006 - On March 1, 2006, the County entered into a capital lease agreement (COP) at an interest rate of 4.593% with the Association of County Commissioners of Georgia Leasing Program to construct a Judicial Complex and a Fire Station. The lease obligation is effective during the period from March 1, 2006 through October 1, 2012. Semi-annual payments begin on October 1, 2006. Total payments for this project are \$26,492,763 (principal of \$22,305,000 and interest of \$4,187,763).

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2012	\$ 3,750,000	\$ 281,250	\$ 4,031,250
2013	3,750,000	93,750	3,843,750
Total	<u>\$ 7,500,000</u>	<u>\$ 375,000</u>	<u>\$ 7,875,000</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 begin 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
2012	\$ 295,000	\$ 287,988	\$ 582,988
2013	305,000	277,487	582,487
2014	320,000	266,550	586,550
2015	330,000	255,175	585,175
2016	340,000	242,600	582,600
2017	355,000	228,700	583,700
2018	370,000	214,200	584,200
2019	385,000	199,100	584,100
2020	400,000	183,400	583,400
2021	415,000	167,100	582,100
2022	430,000	150,200	580,200
2023	450,000	132,600	582,600
2024	465,000	114,300	579,300
2025	485,000	95,300	580,300
2026	505,000	75,500	580,500
2027	525,000	54,900	579,900
2028	545,000	33,500	578,500
2029	565,000	11,300	576,300
Total	<u>\$ 7,485,000</u>	<u>\$ 2,989,900</u>	<u>\$ 10,474,900</u>

Regions Bank Capital Lease – On June 25, 2008, the County entered into a capital lease agreement at an interest rate of 2.21% with Regions Bank to purchase 28 patrol cars. The lease obligation is effective during the period from June 25, 2008 through June 15, 2012. Quarterly payments of interest and principal began on October 15, 2008. Total payments for the project are \$892,129 (principal of \$850,640 and interest of \$41,489).

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The following is an amortization schedule for this lease:

Fiscal Year	Principal	Interest	Total
2012	\$ 210,970	\$ 4,097	\$ 215,067
2013	53,471	295	53,766
Total	<u>\$ 264,441</u>	<u>\$ 4,392</u>	<u>\$ 268,833</u>

Bank of America Capital Lease - On July 3, 2007, the County entered into a capital lease purchase agreement at an interest rate of 4.920% with the Bank of America to construct a Department of Family and Children’s Services building. The lease obligation is effective during the period from July 3, 2007 through October 1, 2028. Monthly payments begin 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
2012	\$ 140,316	\$ 170,571	\$ 310,887
2013	147,379	163,510	310,889
2014	154,797	156,094	310,891
2015	162,589	148,304	310,893
2016	170,773	140,122	310,895
2017	179,369	131,529	310,898
2018	188,397	122,503	310,900
2019	197,880	113,022	310,902
2020	207,841	103,065	310,906
2021	218,302	92,606	310,908
2022	229,290	81,620	310,910
2023	240,832	70,082	310,914
2024	252,954	57,963	310,917
2025	265,687	45,234	310,921
2026	279,060	31,864	310,924
2027	293,106	17,822	310,928
2028	201,855	3,722	205,577
Total	<u>\$ 3,530,427</u>	<u>\$ 1,649,633</u>	<u>\$ 5,180,060</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

Fiscal Year	Principal	Interest	Total
2012	\$ 4,572,172	\$ 769,480	\$ 5,341,652
2013	4,415,381	553,236	4,968,617
2014	641,739	433,426	1,075,165
2015	587,370	407,698	995,068
2016	543,435	383,059	926,494
2017	534,369	360,229	894,598
2018	558,397	336,703	895,100
2019	582,880	312,122	895,002
2020	607,841	286,465	894,306
2021	633,302	259,706	893,008
2022	659,290	231,820	891,110
2023	690,832	202,682	893,514
2024	717,954	172,263	890,217
2025	750,687	140,534	891,221
2026	784,060	107,364	891,424
2027	818,106	72,722	890,828
2028	746,855	37,222	784,077
2029	565,000	11,300	576,300
Total	<u>\$ 19,409,670</u>	<u>\$ 5,078,031</u>	<u>\$ 24,487,701</u>

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Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2011:

	Outstanding 7/1/2010	Additions	Reductions	Outstanding 6/30/2011	Amounts Due in One Year
Governmental Activities					
Capital Leases	\$ 23,986,004	\$ -	\$ 4,576,334	\$ 19,409,670	\$ 4,572,172
Unamortized Debt Premium	328,345	-	145,116	183,229	145,116
Compensated Absences	748,928	670,028	589,149	829,807	308,335
Total Governmental Activities	<u>\$ 25,063,277</u>	<u>\$ 670,028</u>	<u>\$ 5,310,599</u>	<u>\$ 20,422,706</u>	<u>\$ 5,025,623</u>
Business-Type Activities					
Landfill Closure and Post-closure Care	\$ 3,730,154	\$ 285,875	\$ -	\$ 4,016,029	\$ 3,850
Compensated Absences	3,923	2,848	2,649	4,122	1,532
Total Business-Type Activities	<u>\$ 3,734,077</u>	<u>\$ 288,723</u>	<u>\$ 2,649</u>	<u>\$ 4,020,151</u>	<u>\$ 5,382</u>
Component Unit:					
Compensated Absences	<u>\$ 53,431</u>	<u>\$ 10,327</u>	<u>\$ 15,913</u>	<u>\$ 47,845</u>	<u>\$ -</u>

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

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 August 17, 2010, the plan was funded on a 2.5% 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, 2011, the amounts contributed were \$520,194.81 from employees and \$183,885.54 from the County.

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.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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 previously years. Participants not eligible for retirement at the time of termination 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 retiree's 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, 2011, there are two retirees and one retiree dependent receiving benefits.

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 an annual contribution of \$299 for single coverage and \$1,534 for family coverage. The balance of the premium is paid by the County. The County covers the cost of administering the plan.

Annual OPEB Cost and Net OPEB Obligation – The following table for fiscal years 2008, 2009, 2010 and 2011 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, 2011	June 30, 2010	June 30, 2009	June 30, 2008
Annual Required Contribution:				
Normal cost	\$ 70,728	\$ 68,008	\$ 64,065	\$ 121,941
Amortization of unfunded accrued actuarial liability (UAAL)	58,815	55,174	56,689	69,121
Annual required contribution (ARC)	<u>\$ 129,543</u>	<u>\$ 123,182</u>	<u>\$ 120,754</u>	<u>\$ 191,062</u>
Net OPEB Obligation:				
Annual required contribution (ARC)	\$ 129,543	\$ 123,182	\$ 120,754	\$ 191,062
Interest on prior year net OPEB obligation	8,510	5,373	3,978	-
Adjustment to ARC	<u>(12,304)</u>	<u>(7,768)</u>	<u>(5,751)</u>	<u>-</u>
Annual OPEB cost	125,749	120,787	118,981	191,062
Contributions made	<u>(55,493)</u>	<u>(42,360)</u>	<u>(84,102)</u>	<u>(91,609)</u>
Increase in net OPEB obligation	70,256	78,427	34,879	99,453
Net OPEB obligation, beginning of year	<u>212,759</u>	<u>134,332</u>	<u>99,453</u>	<u>-</u>
Net OPEB obligation, end of year	<u>\$ 283,015</u>	<u>\$ 212,759</u>	<u>\$ 134,332</u>	<u>\$ 99,453</u>

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

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
7/1/2007	\$ -	\$ 1,195,235	0.0%	\$ 1,195,235	\$ 12,303,964	9.7%
7/1/2008	-	980,273	0.0%	980,273	13,200,046	7.4%
7/1/2009	-	954,077	0.0%	954,077	13,810,727	6.9%
7/1/2010	-	1,017,049	0.0%	1,017,049	13,540,497	7.5%

A portion of the actuarial accrued liability decreased by \$291,289 as of July 1, 2008 due to a change in plan eligibility from age 60 with 10 years of service to age 60 with 25 years of service recognized on such date. 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.

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

Ended June 30,	OPEB Cost	OPEB Contribution	Percentage Contributed	Net OPEB Obligation
2008	\$ 191,062	\$ 91,609	47.9%	\$ 99,453
2009	118,980	84,102	70.7%	134,331
2010	120,787	42,360	35.1%	212,759
2011	125,749	55,493	44.1%	283,015

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 three years is as follows:

Current Valuation Date	July 1, 2010	July 1, 2009	July 1, 2008
Actuarial Cost Method	Unprojected unit credit	Unprojected unit credit	Unprojected unit credit
Amortization Method	Level dollar	Level dollar	Level dollar
Amortization Period	30 years open	30 years open	30 years open
Asset Valuation Method	Market value	Market value	Market value
Actuarial Assumptions:			
Discount Rate	4% compounded annually	4% compounded annually	4% compounded annually
Healthcare Cost Trend Rate	6.9%	7.1%	7.9%

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

3-K. Net Assets

The “invested in capital assets, net of related debt” amount reported on the government-wide statement of net assets as of June 30, 2011 is determined as follows:

	Governmental Activities	Business Type Activities
	<u> </u>	<u> </u>
Invested in capital assets, net of related debt:		
Cost of capital assets	\$ 149,714,306	\$ 24,580,520
Less accumulated depreciation	57,536,947	19,421,307
Book value	<u>92,177,359</u>	<u>5,159,213</u>
Less capital related debt	19,409,670	-
Less unamortized debt issuance premium	183,229	-
Add unspent debt proceeds	<u>438,773</u>	<u>-</u>
Invested in capital assets, net of related debt	<u><u>\$ 73,023,233</u></u>	<u><u>\$ 5,159,213</u></u>

3-L. Percentage of Completion

The road project and recreation project have original costs estimated at \$17,500,000 for each project. The recreation project has total expenditures to date of \$20,208,788 for 115.48% of estimated original project costs completed at June 30, 2011. The road project fund has total expenditures to date of \$20,573,362 for 117.56% of estimated original project costs completed at June 30, 2011. The 2005 SPLOST capital projects have total expenditures to date of \$48,156,169 for 93.80% of estimated projects costs completed at June 30, 2011.

3-M. Fund Balances – Governmental Funds

As of June 30, 2011, fund balances of the governmental funds are classified as follows:

Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – fund balances that contain self-imposed constraints of the government from its highest level of decision making authority (i.e., the Board of County Commissioners). The Board of County Commissioners commits revenue streams through adopted motions.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Unassigned – all other spendable amounts.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

3-M. Fund Balances – Governmental Funds (Continued)

As of June 30, 2011, fund balances are composed of the following:

	General Fund	Fire	2005 SPLOST Projects	Recreation Projects	Road Projects	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepays	\$ 333,204	\$ 11,243	\$ -	\$ -	\$ -	\$ -	\$ 344,447
Restricted:							
Public Safety	-	1,780,337	-	-	-	1,019,754	2,800,091
Capital Projects	-	-	11,642,536	3,750	83,246	-	11,729,532
Judicial	-	-	-	-	-	536,669	536,669
Committed:							
Health Insurance	1,018,773	-	-	-	-	-	1,018,773
Unassigned	15,849,624	-	-	-	-	-	15,849,624
Total fund balances	\$ 17,201,601	\$ 1,791,580	\$ 11,642,536	\$ 3,750	\$ 83,246	\$ 1,556,423	\$ 32,279,136

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.

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, 2011. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 4 - Other Notes (Continued)

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, 2011 is \$212,394 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 40% 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, which 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 on a calendar year basis.

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, 2011 is \$88,281. The Airport issues separate 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 Coosa Valley Regional Development Commission (CVRDC). Membership in CVRDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the CVRDC. Membership in the CVRDC 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 CVRDC. During fiscal year 2011, the County paid \$38,552 in dues to the CVRDC. Separate financial statements may be obtained from the Coosa Valley Regional Development Commission, Jackson Hill, Rome, Georgia 30161.

Gordon County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 4 - Other Notes (Continued)

4-E. Hotel-Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with O.C.G.A. 48-13-51 and expends 40% of the hotel/motel tax collections for the purpose of promoting tourism.

A summary of the transactions for the year ended June 30, 2011 follows:

Lodging tax receipts	<u>\$ 23,746</u>
Disbursements to:	
Industrial Development Authority	\$ 9,498
Chamber of Commerce	<u>14,248</u>
Total disbursements	<u>\$ 23,746</u>

4-F. Restatement of Beginning Fund Balances

The following discloses the restatement of governmental fund balances as of the beginning of the fiscal year:

	General Fund
	<u> </u>
Fund Balance, June 30, 2010, as previously stated	\$ 15,388,285
Increase due from reclassification of Health Insurance Fund to General Fund	1,016,957
Fund Balance, June 30, 2010, as restated	<u>16,405,242</u>
	Health Insurance Fund
	<u> </u>
Fund Balance, June 30, 2010, as previously stated	\$ 1,016,957
Increase due from reclassification of Health Insurance Fund to General Fund	(1,016,957)
Fund Balance, June 30, 2010, as restated	<u>-</u>

Gordon County, Georgia
General Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>Restated 2010</u>
Assets		
Cash and cash equivalents	\$ 16,977,641	\$ 17,173,835
Receivables		
Accounts	109,412	95,945
Property taxes	2,760,712	2,674,964
Sales taxes	478,425	482,459
Intergovernmental	331,449	112,510
Prepaid items	333,204	298,407
Total Assets	<u>\$ 20,990,843</u>	<u>\$ 20,838,120</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 1,063,150	\$ 894,444
Accrued expenditures	393,038	348,219
Intergovernmental payable	2,593	2,751
Interfund payable	-	1,005,634
Deferred revenue	2,330,461	2,181,830
Total Liabilities	<u>3,789,242</u>	<u>4,432,878</u>
Fund Balances:		
Nonspendable	333,204	298,407
Committed	1,018,773	1,016,957
Unassigned	15,849,624	15,089,878
Total Fund Balances	<u>17,201,601</u>	<u>16,405,242</u>
Total Liabilities and Fund Balances	<u>\$ 20,990,843</u>	<u>\$ 20,838,120</u>

Gordon County, Georgia
General Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2011 and 2010

	2011	Restated 2010
Revenues		
Taxes	\$ 22,437,781	\$ 22,846,756
Licenses and permits	136,897	127,135
Intergovernmental	2,399,089	423,735
Charges for services	1,658,153	1,542,043
Fines and forfeitures	1,120,307	1,191,024
Investment earnings	42,682	45,455
Contributions and donations	1,613,597	8,093
Miscellaneous	352,384	349,965
Total Revenues	29,760,890	26,534,206
Expenditures		
Current		
General government	8,167,566	5,021,580
Judicial	2,723,796	2,765,007
Public safety	9,324,224	9,415,563
Highways and streets	2,931,294	2,763,579
Health and welfare	681,392	723,570
Culture and recreation	1,783,370	1,800,752
Conservation	143,606	145,070
Economic development	198,281	155,634
Planning and zoning	283,979	290,273
Debt Service		
Principal retirement	408,025	396,631
Interest and fiscal charges	206,475	208,044
Total Expenditures	26,852,008	23,685,703
Excess of Revenues Over Expenditures	2,908,882	2,848,503
Other Financing Sources (Uses)		
Transfers in	150,000	100,000
Transfers out	(2,327,843)	(2,724,678)
Proceeds from the sale of capital assets	23,575	18,365
Insurance proceeds	41,745	-
Total Other Financing Sources (Uses)	(2,112,523)	(2,606,313)
Net Change in Fund Balances	796,359	242,190
Fund Balances Beginning of Year, As Restated	16,405,242	16,163,052
Fund Balances End of Year, As Restated	\$ 17,201,601	\$ 16,405,242

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
General property taxes					
Current year levy	\$ 13,603,750	\$ 14,006,188	\$ 14,043,562	\$ 37,374	\$ 14,486,334
Prior years' levies	510,000	510,000	549,978	39,978	587,714
Motor vehicle tax	1,100,000	1,100,000	1,095,106	(4,894)	1,089,745
Mobile home tax	41,000	41,000	33,773	(7,227)	39,827
Penalties and interest - delinquent taxes	215,000	227,710	379,002	151,292	274,556
Total general property taxes	15,469,750	15,884,898	16,101,421	216,523	16,478,176
Other taxes					
Local option sales tax	5,600,000	5,600,000	5,702,854	102,854	5,730,373
Alcohol beverage tax	210,000	210,000	199,491	(10,509)	200,378
Real estate transfers tax	180,000	180,000	190,089	10,089	187,604
Financial institution business occupation tax	65,000	65,000	66,769	1,769	78,016
Franchise tax	165,500	165,500	177,157	11,657	172,209
Total other taxes	6,220,500	6,220,500	6,336,360	115,860	6,368,580
Total taxes	21,690,250	22,105,398	22,437,781	332,383	22,846,756
Licenses and permits					
Alcohol	33,850	33,850	32,550	(1,300)	33,250
Inspection fees	80,000	80,000	101,414	21,414	92,060
Other	1,525	1,525	2,933	1,408	1,825
Total license and permits	115,375	115,375	136,897	21,522	127,135
Fines, forfeitures and fees					
Judge of probate court	720,000	720,000	702,076	(17,924)	754,803
Clerk of superior court	290,000	290,000	279,461	(10,539)	305,727
Magistrate court	130,000	130,000	126,762	(3,238)	119,050
Juvenile court	4,000	4,000	5,077	1,077	3,848
Child support	7,000	7,000	6,931	(69)	7,596
Total fines, forfeitures and fees	\$ 1,151,000	\$ 1,151,000	\$ 1,120,307	\$ (30,693)	\$ 1,191,024

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental					
State Department of Transportation	\$ 183,119	\$ 588,266	\$ 344,059	\$ (244,207)	\$ -
Section 5311 grant	70,000	70,000	70,112	112	77,873
DCA-CDBG-grant	-	500,000	139,000	(361,000)	-
Other grants	289,431	309,021	83,625	(225,396)	82,598
National park service grant	-	1,350,000	1,350,000	-	-
Federal stimulus grants	353,496	368,496	43,536	(324,960)	-
Federal payment in lieu of taxes	135,000	135,000	368,757	233,757	263,264
Total intergovernmental	1,031,046	3,320,783	2,399,089	(921,694)	423,735
Charges for services					
Court costs	145,000	145,000	170,375	25,375	180,219
Recording fees	117,150	117,150	112,964	(4,186)	141,420
Sheriff	311,957	338,286	481,958	143,672	449,573
Recreation fees	170,000	170,000	191,948	21,948	208,260
Animal control fees	15,000	15,000	17,295	2,295	20,048
Street repairs and paving service fees	2,000	2,000	57,492	55,492	2,726
Commissions	515,850	515,850	591,675	75,825	526,234
Other	13,100	13,100	34,446	21,346	13,563
Total charges for services	1,290,057	1,316,386	1,658,153	341,767	1,542,043
Investment earnings	35,000	35,000	42,682	7,682	45,455
Contributions and donations	8,000	1,614,637	1,613,597	(1,040)	8,093
Miscellaneous revenues					
Pipe and lumber sales	6,000	6,000	10,580	4,580	8,677
Rent	337,000	337,000	340,144	3,144	341,288
Miscellaneous	-	1,160	1,660	500	-
Total miscellaneous revenues	343,000	344,160	352,384	8,224	349,965
Total Revenues	\$ 25,663,728	\$ 30,002,739	\$ 29,760,890	\$ (241,849)	\$ 26,534,206

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures					
Current					
General government					
Elections and voter registration					
Personal services and benefits	\$ 167,318	\$ 170,307	\$ 154,536	\$ 15,771	\$ 137,355
Purchased and contracted services	26,410	25,208	23,859	1,349	26,336
Supplies	1,800	3,302	2,418	884	5,046
Total elections and voter registration	<u>195,528</u>	<u>198,817</u>	<u>180,813</u>	<u>18,004</u>	<u>168,737</u>
County administrator					
Personal services and benefits	152,478	158,325	151,020	7,305	159,399
Purchased and contracted services	8,700	8,700	7,214	1,486	4,329
Supplies	1,650	1,650	1,355	295	786
Total county administrator	<u>162,828</u>	<u>168,675</u>	<u>159,589</u>	<u>9,086</u>	<u>164,514</u>
Finance department					
Personal services and benefits	420,486	433,700	415,534	18,166	434,768
Purchased and contracted services	149,375	149,375	122,725	26,650	114,957
Supplies	8,800	8,800	7,339	1,461	8,331
Total finance department	<u>578,661</u>	<u>591,875</u>	<u>545,598</u>	<u>46,277</u>	<u>558,056</u>
Board of commissioners					
Personal services and benefits	61,617	63,723	54,958	8,765	51,151
Purchased and contracted services	80,800	78,694	69,668	9,026	78,133
Supplies	7,100	7,100	4,840	2,260	4,149
Total board of commissioners	<u>149,517</u>	<u>149,517</u>	<u>129,466</u>	<u>20,051</u>	<u>133,433</u>
County clerk					
Personal services and benefits	66,281	69,301	69,262	39	70,657
Purchased and contracted services	6,220	5,580	4,056	1,524	7,252
Supplies	1,400	1,400	560	840	652
Total county clerk	<u>73,901</u>	<u>76,281</u>	<u>73,878</u>	<u>2,403</u>	<u>78,561</u>
Human resources					
Personal services and benefits	164,746	170,013	162,686	7,327	169,920
Purchased and contracted services	14,600	14,500	10,313	4,187	10,253
Supplies	6,250	6,350	5,095	1,255	6,549
Total human resources	<u>\$ 185,596</u>	<u>\$ 190,863</u>	<u>\$ 178,094</u>	<u>\$ 12,769</u>	<u>\$ 186,722</u>

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Vehicle maintenance					
Personal services and benefits	\$ 370,324	\$ 366,598	\$ 350,423	\$ 16,175	\$ 384,012
Purchased and contracted services	21,600	21,599	12,301	9,298	16,225
Supplies	26,200	41,201	28,193	13,008	11,501
Total vehicle maintenance	418,124	429,398	390,917	38,481	411,738
County attorney's office					
Personal services and benefits	117,982	122,055	118,573	3,482	127,628
Purchased and contracted services	3,450	2,750	2,131	619	1,976
Supplies	2,350	3,050	2,625	425	1,764
Total county attorney's office	123,782	127,855	123,329	4,526	131,368
Information technology					
Personal services and benefits	160,411	174,024	172,325	1,699	165,123
Purchased and contracted services	40,700	33,407	32,205	1,202	26,200
Supplies	33,900	33,000	30,905	2,095	26,138
Total information technology	235,011	240,431	235,435	4,996	217,461
Tax commissioner					
Personal services and benefits	737,018	752,928	630,322	122,606	690,012
Purchased and contracted services	96,300	98,300	75,478	22,822	76,668
Supplies	12,700	12,700	7,755	4,945	7,452
Total tax commissioner	846,018	863,928	713,555	150,373	774,132
Tax appraiser/assessor					
Personal services and benefits	553,863	569,691	509,069	60,622	582,508
Purchased and contracted services	132,800	116,250	108,100	8,150	165,504
Supplies	15,500	32,050	15,087	16,963	19,355
Total appraiser/assessor	\$ 702,163	\$ 717,991	\$ 632,256	\$ 85,735	\$ 767,367

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Intergovernmental					
Personal services and benefits	\$ 393,000	\$ 411,500	\$ 390,630	\$ 20,870	\$ 314,627
Purchased and contracted services	405,225	396,725	341,526	55,199	391,192
Capital outlay	540,000	4,242,637	3,384,625	858,012	10,122
Total intergovernmental	1,338,225	5,050,862	4,116,781	934,081	715,941
Public buildings and grounds					
Personal services and benefits	219,889	224,930	200,477	24,453	203,265
Purchased and contracted services	197,600	197,600	171,477	26,123	180,861
Supplies	197,650	197,650	174,422	23,228	186,082
Capital outlay	-	-	-	-	59,179
Total public buildings and grounds	615,139	620,180	546,376	73,804	629,387
Geographic information system					
Personal services and benefits	58,678	60,354	55,013	5,341	51,376
Purchased and contracted services	97,225	97,225	85,580	11,645	31,624
Supplies	1,000	1,000	886	114	1,163
Total geographic information system	156,903	158,579	141,479	17,100	84,163
Total general government	5,781,396	9,585,252	8,167,566	1,417,686	5,021,580
Judicial					
Probate court					
Personal services and benefits	327,257	335,297	319,813	15,484	330,333
Purchased and contracted services	15,350	15,275	9,484	5,791	9,504
Supplies	7,000	7,075	5,308	1,767	5,316
Total probate court	349,607	357,647	334,605	23,042	345,153
Juvenile court					
Personal services and benefits	382,791	379,627	375,731	3,896	390,837
Purchased and contracted services	110,400	124,400	109,111	15,289	103,606
Supplies	19,900	19,900	14,113	5,787	5,105
Capital outlay	-	15,000	14,362	638	-
Total juvenile court	\$ 513,091	\$ 538,927	\$ 513,317	\$ 25,610	\$ 499,548

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Superior court					
Personal services and benefits	\$ 258,368	\$ 261,932	\$ 215,591	\$ 46,341	\$ 168,432
Purchased and contracted services	163,750	163,700	103,239	60,461	123,892
Supplies	9,500	9,550	3,213	6,337	15,525
Total superior court	431,618	435,182	322,043	113,139	307,849
Magistrate court					
Personal services and benefits	457,847	472,011	431,278	40,733	461,809
Purchased and contracted services	36,450	36,500	24,672	11,828	23,932
Supplies	20,500	20,450	13,664	6,786	10,560
Total magistrate court	514,797	528,961	469,614	59,347	496,301
Clerk of superior court					
Personal services and benefits	506,741	519,144	490,492	28,652	510,158
Purchased and contracted services	79,600	79,100	59,000	20,100	66,286
Supplies	28,300	28,800	19,126	9,674	14,433
Total clerk of superior court	614,641	627,044	568,618	58,426	590,877
District attorney					
Personal services and benefits	286,521	295,926	295,742	184	292,616
Purchased and contracted services	20,650	19,802	18,940	862	16,831
Supplies	12,150	9,927	8,843	1,084	11,411
Total district attorney	319,321	325,655	323,525	2,130	320,858
Public defender					
Personal services and benefits	6,895	7,237	7,229	8	7,986
Purchased and contracted services	183,726	184,221	180,644	3,577	192,056
Supplies	5,035	4,335	4,201	134	4,379
Total public defender	195,656	195,793	192,074	3,719	204,421
Total judicial	\$ 2,938,731	\$ 3,009,209	\$ 2,723,796	\$ 285,413	\$ 2,765,007

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Public safety					
Coroner					
Personal services and benefits	\$ 41,948	\$ 42,197	\$ 40,372	\$ 1,825	\$ 41,809
Purchased and contracted services	22,625	15,175	10,811	4,364	14,804
Supplies	12,840	20,290	15,010	5,280	11,938
Total coroner	<u>77,413</u>	<u>77,662</u>	<u>66,193</u>	<u>11,469</u>	<u>68,551</u>
Sheriff enforcement					
Personal services and benefits	4,155,257	4,209,753	4,079,800	129,953	4,091,148
Purchased and contracted services	187,833	205,046	189,684	15,362	179,324
Supplies	475,108	500,504	479,600	20,904	421,665
Capital outlay	-	25,727	24,727	1,000	51,252
Total sheriff enforcement	<u>4,818,198</u>	<u>4,941,030</u>	<u>4,773,811</u>	<u>167,219</u>	<u>4,743,389</u>
Sheriff - jail					
Personal services and benefits	2,670,797	2,607,573	2,348,785	258,788	2,428,242
Purchased and contracted services	955,600	1,064,820	1,045,416	19,404	932,803
Supplies	338,000	357,570	306,896	50,674	264,170
Capital outlay	-	-	-	-	224,962
Total sheriff - jail	<u>3,964,397</u>	<u>4,029,963</u>	<u>3,701,097</u>	<u>328,866</u>	<u>3,850,177</u>
Emergency management					
Personal services and benefits	113,124	124,568	124,517	51	132,664
Purchased and contracted services	71,075	86,300	85,277	1,023	58,221
Supplies	39,120	36,968	35,295	1,673	31,627
Capital outlay	27,000	25,950	25,716	234	23,963
Total emergency management	<u>250,319</u>	<u>273,786</u>	<u>270,805</u>	<u>2,981</u>	<u>246,475</u>
Ambulance service	<u>291,000</u>	<u>291,000</u>	<u>291,000</u>	<u>-</u>	<u>291,000</u>
Georgia state patrol	<u>3,450</u>	<u>3,660</u>	<u>3,657</u>	<u>3</u>	<u>-</u>
Animal control					
Personal services and benefits	154,381	155,923	153,887	2,036	161,068
Purchased and contracted services	24,700	29,720	28,897	823	23,595
Supplies	38,050	36,030	34,877	1,153	31,308
Total animal control	<u>217,131</u>	<u>221,673</u>	<u>217,661</u>	<u>4,012</u>	<u>215,971</u>
Total public safety	<u>\$ 9,621,908</u>	<u>\$ 9,838,774</u>	<u>\$ 9,324,224</u>	<u>\$ 514,550</u>	<u>\$ 9,415,563</u>

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Highways and streets					
Personal services and benefits	\$ 1,814,242	\$ 1,617,547	\$ 1,534,434	\$ 83,113	\$ 1,539,729
Purchased and contracted services	110,060	100,360	79,157	21,203	70,561
Supplies	412,850	1,320,797	1,317,703	3,094	1,153,289
Total highways and streets	2,337,152	3,038,704	2,931,294	107,410	2,763,579
Health and welfare					
Health					
Board of Health	405,262	405,262	405,262	-	445,342
Gordon County School Nurse Program	68,250	68,250	68,250	-	75,000
Total health	473,512	473,512	473,512	-	520,342
Welfare					
Coosa Valley Regional Service Development Corporation	3,276	3,276	3,276	-	3,600
Other					
Department of Family and Children Serv.	44,563	44,563	44,563	-	49,300
Voluntary Action Center	9,919	9,919	9,919	-	10,900
Commission on Children and Youth	2,730	2,730	2,730	-	3,000
Section 5311 Public Transportation	125,400	133,800	133,742	58	121,428
Winners Club	4,550	4,550	4,550	-	5,000
Cherokee Capital Fair Association	4,550	4,550	4,550	-	5,000
George Chambers Resource Center	4,550	4,550	4,550	-	5,000
Total other	196,262	204,662	204,604	58	199,628
Total health and welfare	\$ 673,050	\$ 681,450	\$ 681,392	\$ 58	\$ 723,570

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Culture and recreation					
Parks and recreation					
Personal services and benefits	\$ 562,858	\$ 575,532	\$ 528,046	\$ 47,486	\$ 563,732
Purchased and contracted services	140,500	165,500	144,599	20,901	136,302
Supplies	359,500	334,500	318,587	15,913	306,673
Capital outlay	-	-	-	-	2,212
Total parks and recreation	<u>1,062,858</u>	<u>1,075,532</u>	<u>991,232</u>	<u>84,300</u>	<u>1,008,919</u>
Senior center					
Personal services and benefits	69,041	74,404	74,334	70	73,010
Purchased and contracted services	16,715	14,090	12,057	2,033	11,992
Supplies	21,750	20,780	17,322	3,458	18,243
Total senior center	<u>107,506</u>	<u>109,274</u>	<u>103,713</u>	<u>5,561</u>	<u>103,245</u>
Gordon County library	<u>229,936</u>	<u>229,936</u>	<u>212,394</u>	<u>17,542</u>	<u>215,855</u>
Arts Council	<u>4,550</u>	<u>4,550</u>	<u>4,550</u>	<u>-</u>	<u>5,000</u>
City of Calhoun recreation department	<u>348,361</u>	<u>348,361</u>	<u>348,361</u>	<u>-</u>	<u>338,215</u>
Salacoa creek park	<u>134,358</u>	<u>135,934</u>	<u>123,120</u>	<u>12,814</u>	<u>129,518</u>
Total culture and recreation	<u>1,887,569</u>	<u>1,903,587</u>	<u>1,783,370</u>	<u>120,217</u>	<u>1,800,752</u>
Conservation					
County extension service					
Personal services and benefits	108,594	112,778	93,718	19,060	106,120
Purchased and contracted services	11,100	12,200	10,377	1,823	9,393
Supplies	16,250	15,150	14,779	371	15,462
Total county extension service	<u>135,944</u>	<u>140,128</u>	<u>118,874</u>	<u>21,254</u>	<u>130,975</u>
Other					
Timber protection	10,941	10,941	10,941	-	4,376
Fish and game	1,200	1,200	1,078	122	981
Livestock pavilion	9,650	13,750	12,713	1,037	8,738
Total other	<u>21,791</u>	<u>25,891</u>	<u>24,732</u>	<u>1,159</u>	<u>14,095</u>
Total conservation	<u>\$ 157,735</u>	<u>\$ 166,019</u>	<u>\$ 143,606</u>	<u>\$ 22,413</u>	<u>\$ 145,070</u>

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Economic development					
Airport Authority	\$ 88,281	\$ 88,281	\$ 88,281	\$ -	\$ 100,634
Gordon County Development Authority	110,000	110,000	110,000	-	55,000
Total economic development	198,281	198,281	198,281	-	155,634
Planning and zoning					
Building and planning					
Personal services and benefits	166,242	173,827	172,619	1,208	176,143
Purchased and contracted services	12,210	10,445	6,839	3,606	7,062
Supplies	9,600	9,600	4,016	5,584	4,380
Total building and planning	188,052	193,872	183,474	10,398	187,585
Planning commission					
Personal services and benefits	5,167	5,167	3,100	2,067	2,584
Purchased and contracted services	1,125	1,125	980	145	411
Supplies	150	150	-	150	-
Total planning commission	6,442	6,442	4,080	2,362	2,995
Historic preservation commission					
Personal services and benefits	5,167	5,167	4,177	990	4,521
Purchased and contracted services	2,860	2,860	1,068	1,792	2,386
Supplies	100	100	-	100	-
Total historic preservation commission	8,127	8,127	5,245	2,882	6,907
Planning and development					
Personal services and benefits	59,601	61,513	57,610	3,903	60,356
Purchased and contracted services	50,810	50,810	32,804	18,006	32,042
Supplies	2,000	2,000	766	1,234	388
Total planning and development	112,411	114,323	91,180	23,143	92,786
Total planning and zoning	\$ 315,032	\$ 322,764	\$ 283,979	\$ 38,785	\$ 290,273

Gordon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Continued)
For the Year Ended June 30, 2011
(With Comparative Actual Amounts For the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Debt service					
Principal	\$ 408,026	\$ 417,851	\$ 408,025	\$ 9,826	\$ 396,631
Interest and fiscal charges	196,653	196,653	206,475	(9,822)	208,044
Total debt service	<u>604,679</u>	<u>614,504</u>	<u>614,500</u>	<u>4</u>	<u>604,675</u>
Total Expenditures	<u>24,515,533</u>	<u>29,358,544</u>	<u>26,852,008</u>	<u>2,506,536</u>	<u>23,685,703</u>
Excess of Revenues Over Expenditures	<u>1,148,195</u>	<u>644,195</u>	<u>2,908,882</u>	<u>2,264,687</u>	<u>2,848,503</u>
Other Financing Sources (Uses)					
Transfers in					
Enterprise funds	813,741	813,741	-	(813,741)	-
Special revenue funds	364,907	364,907	150,000	(214,907)	100,000
Transfers out					
Enterprise funds	(72,850)	(72,850)	(72,850)	-	(86,950)
Special revenue funds	(2,254,993)	(2,254,993)	(2,254,993)	-	(2,637,728)
Proceeds from the					
sale of capital assets	1,000	11,000	23,575	12,575	18,365
Insurance proceeds	-	-	41,745	41,745	-
Total Other Financing Sources (Uses)	<u>(1,148,195)</u>	<u>(1,138,195)</u>	<u>(2,112,523)</u>	<u>(974,328)</u>	<u>(2,606,313)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (494,000)</u>	796,359	<u>\$ 1,290,359</u>	242,190
Fund Balance Beginning of Year, As Restated			<u>16,405,242</u>		<u>16,163,052</u>
Fund Balance End of Year, As Restated			<u>\$ 17,201,601</u>		<u>\$ 16,405,242</u>

Gordon County, Georgia
Fire Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ 294,470	\$ 19,399
Accounts receivable	2,301	833
Intergovernmental receivable	1,582,218	1,503,121
Prepaid items	11,243	11,243
Total Assets	\$ 1,890,232	\$ 1,534,596
 Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 29,748	\$ 32,550
Accrued salaries	68,904	62,387
Interfund payable	-	-
Total Liabilities	98,652	94,937
Fund Balances:		
Nonspendable	11,243	11,243
Restricted for public safety - fire services	1,780,337	1,428,416
Total Fund Balances	1,791,580	1,439,659
Total Liabilities and Fund Balances	\$ 1,890,232	\$ 1,534,596

Gordon County, Georgia
Fire Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Taxes	\$ 1,582,218	\$ 1,503,121
Licenses and permits	43,513	27,828
Intergovernmental	-	133,301
Charges for services	1,548	30,987
Investment earnings	1,416	1,055
Contributions and donations	9,500	5,300
Miscellaneous	2,301	600
Total Revenues	<u>1,640,496</u>	<u>1,702,192</u>
Expenditures		
Current		
Public safety		
Personal services and benefits	2,608,880	2,764,559
Purchased and contracted services	123,319	212,847
Supplies	201,160	208,860
Capital Outlay	23,963	157,030
Debt Service		
Principal retirement	52,817	60,409
Interest and fiscal charges	1,809	3,872
Total Expenditures	<u>3,011,948</u>	<u>3,407,577</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(1,371,452)</u>	<u>(1,705,385)</u>
Other Financing Sources		
Transfers in	1,721,156	2,010,743
Proceeds from the sale of capital assets	2,217	-
Total Other Financing Sources	<u>1,723,373</u>	<u>2,010,743</u>
Net Change in Fund Balances	351,921	305,358
Fund Balances Beginning of Year	<u>1,439,659</u>	<u>1,134,301</u>
Fund Balances End of Year	<u><u>\$ 1,791,580</u></u>	<u><u>\$ 1,439,659</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,530,000	\$ 1,530,000	\$ 1,582,218	\$ 52,218	\$ 1,503,121
Licenses and permits	27,500	27,500	43,513	16,013	27,828
Intergovernmental	-	5,500	-	(5,500)	133,301
Charges for services	20,000	20,000	1,548	(18,452)	30,987
Investment earnings	500	500	1,416	916	1,055
Contributions and donations	3,000	3,000	9,500	6,500	5,300
Miscellaneous	-	-	2,301	2,301	600
Total Revenues	<u>1,581,000</u>	<u>1,586,500</u>	<u>1,640,496</u>	<u>53,996</u>	<u>1,702,192</u>
Expenditures					
Current					
Public safety					
Personal services and benefits	2,802,275	2,882,423	2,608,880	273,543	2,764,559
Purchased and contracted services	218,350	218,350	123,319	95,031	212,847
Supplies	232,600	238,100	201,160	36,940	208,860
Capital Outlay	27,000	27,000	23,963	3,037	157,030
Debt Service					
Principal retirement	52,818	52,818	52,817	1	60,409
Interest and fiscal charges	1,810	1,810	1,809	1	3,872
Total Expenditures	<u>3,334,853</u>	<u>3,420,501</u>	<u>3,011,948</u>	<u>408,553</u>	<u>3,407,577</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,753,853)</u>	<u>(1,834,001)</u>	<u>(1,371,452)</u>	<u>462,549</u>	<u>(1,705,385)</u>
Other Financing Sources					
Transfers in	1,753,853	1,753,853	1,721,156	(32,697)	2,010,743
Proceeds from the sale of capital assets	-	-	2,217	2,217	-
Total Other Financing Sources	<u>1,753,853</u>	<u>1,753,853</u>	<u>1,723,373</u>	<u>(30,480)</u>	<u>2,010,743</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ (80,148)</u>	<u>351,921</u>	<u>\$ 432,069</u>	<u>305,358</u>
Fund Balances Beginning of Year			<u>1,439,659</u>		<u>1,134,301</u>
Fund Balances End of Year			<u>\$ 1,791,580</u>		<u>\$ 1,439,659</u>

Gordon County, Georgia
2005 SPLOST Projects Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ 10,511,653	\$ 10,756,965
Sales taxes receivable	694,055	688,664
Interfund receivable	-	200,000
Restricted assets:		
Cash and cash equivalents	438,773	1,021,312
Total Assets	\$ 11,644,481	\$ 12,666,941
 Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 1,945	\$ 70,840
 Fund Balances		
Restricted for capital projects	11,642,536	12,596,101
Total Liabilities and Fund Balances	\$ 11,644,481	\$ 12,666,941

Gordon County, Georgia
2005 SPLOST Projects Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Taxes	\$ 8,247,277	\$ 8,147,419
Intergovernmental	50,000	-
Investment earnings	18,379	28,829
Total Revenues	8,315,656	8,176,248
Expenditures		
Intergovernmental	2,815,452	2,526,036
Capital Outlay	1,654,131	1,215,673
Debt Service		
Principal retirement	4,035,000	4,025,000
Interest and fiscal charges	764,638	931,563
Total Expenditures	9,269,221	8,698,272
(Deficiency) of Revenue (Under) Expenditures	(953,565)	(522,024)
Fund Balances Beginning of Year	12,596,101	13,118,125
Fund Balances End of Year	\$ 11,642,536	\$ 12,596,101

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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 8,000,000	\$ 8,000,000	\$ 8,247,277	\$ 247,277	\$ 8,147,419
Intergovernmental	-	-	50,000	50,000	-
Investment earnings	15,000	15,000	18,379	3,379	28,829
Total Revenues	8,015,000	8,015,000	8,315,656	300,656	8,176,248
Expenditures					
Intergovernmental	2,815,452	2,815,452	2,815,452	-	2,526,036
Capital Outlay	1,708,500	1,993,500	1,654,131	339,369	1,215,673
Debt Service					
Principal retirement	4,035,000	4,035,000	4,035,000	-	4,025,000
Interest and fiscal charges	764,638	764,638	764,638	-	931,563
Total Expenditures	9,323,590	9,608,590	9,269,221	339,369	8,698,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (1,308,590)	\$ (1,593,590)	(953,565)	\$ 640,025	(522,024)
Fund Balances Beginning of Year			12,596,101		13,118,125
Fund Balances End of Year			\$ 11,642,536		\$ 12,596,101

Gordon County, Georgia
Recreation Projects Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ 12,000	\$ 132,385
Interfund receivables	-	5,634
Total Assets	\$ 12,000	\$ 138,019
 Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 8,250	\$ 9,494
 Fund Balances		
Restricted for capital projects	3,750	128,525
Total Liabilities and Fund Balances	\$ 12,000	\$ 138,019

Gordon County, Georgia
Recreation Projects Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Investment earnings	\$ 169	\$ 574
Miscellaneous	-	10,914
Total Revenues	<u>169</u>	<u>11,488</u>
Expenditures		
Intergovernmental	22,919	313
Capital Outlay	25	60
Debt Service		
Principal	80,492	76,574
Interest	<u>21,508</u>	<u>25,426</u>
Total Expenditures	<u>124,944</u>	<u>102,373</u>
(Deficiency) of Revenues (Under) Expenditures	(124,775)	(90,885)
Fund Balances Beginning of Year	<u>128,525</u>	<u>219,410</u>
Fund Balances End of Year	<u><u>\$ 3,750</u></u>	<u><u>\$ 128,525</u></u>

Gordon County, Georgia
Recreation Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>				<u>2010</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Investment earnings	\$ 350	\$ 350	\$ 169	\$ (181)	\$ 574
Miscellaneous	-	-	-	-	10,914
Total Revenues	<u>\$ 350</u>	<u>\$ 350</u>	<u>\$ 169</u>	<u>\$ (181)</u>	<u>\$ 11,488</u>
Expenditures					
Intergovernmental	23,232	23,232	22,919	313	313
Capital Outlay	150	150	25	125	60
Debt Service					
Principal	80,493	80,493	80,492	1	76,574
Interest	21,509	21,509	21,508	1	25,426
Total Expenditures	<u>125,384</u>	<u>125,384</u>	<u>124,944</u>	<u>440</u>	<u>102,373</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (125,034)</u>	<u>\$ (125,034)</u>	(124,775)	<u>\$ 259</u>	(90,885)
Fund Balances Beginning of Year			<u>128,525</u>		<u>219,410</u>
Fund Balances End of Year			<u>\$ 3,750</u>		<u>\$ 128,525</u>

Gordon County, Georgia
Road Projects Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 83,246	\$ 270,741
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 100
Fund Balances		
Restricted for capital projects	<u>83,246</u>	<u>270,641</u>
Total Liabilities and Fund Balances	<u>\$ 83,246</u>	<u>\$ 270,741</u>

Gordon County, Georgia
Road Projects Fund
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenues		
Investment earnings	\$ 424	\$ 1,393
Expenditures		
Intergovernmental	101,927	185,720
Capital Outlay	85,892	119,343
Total Expenditures	187,819	305,063
(Deficiency) of Revenues (Under) Expenditures	(187,395)	(303,670)
Fund Balances Beginning of Year	270,641	574,311
Fund Balances End of Year	<u>\$ 83,246</u>	<u>\$ 270,641</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>				<u>2010</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Investment earnings	\$ 750	\$ 750	\$ 424	\$ (326)	\$ 1,393
Expenditures					
Intergovernmental	194,321	151,750	101,927	49,823	185,720
Capital Outlay	67,250	139,821	85,892	53,929	119,343
Total Expenditures	<u>261,571</u>	<u>291,571</u>	<u>187,819</u>	<u>103,752</u>	<u>305,063</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (260,821)</u>	<u>\$ (290,821)</u>	(187,395)	<u>\$ 103,426</u>	(303,670)
Fund Balances Beginning of Year			<u>270,641</u>		<u>574,311</u>
Fund Balances End of Year			<u>\$ 83,246</u>		<u>\$ 270,641</u>

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Net Assets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 8,510,264	\$ 7,271,435
Receivables		
Accounts receivable	156,715	146,474
Interfund	-	800,000
Total Current Assets	<u>8,666,979</u>	<u>8,217,909</u>
Noncurrent Assets		
Capital Assets		
Land	623,929	623,929
Depreciable, net	4,455,284	5,768,298
Total Noncurrent Assets	<u>5,079,213</u>	<u>6,392,227</u>
Total Assets	<u>13,746,192</u>	<u>14,610,136</u>
Liabilities		
Current Liabilities		
Accounts payable	8,622	10,139
Closure and post-closure care payable	3,850	3,850
Total Current Liabilities	12,472	13,989
Long-Term Liabilities		
Closure and post-closure care payable (net of current portion)	4,012,179	3,726,304
Total Liabilities	<u>4,024,651</u>	<u>3,740,293</u>
Net Assets		
Invested in capital assets	5,079,213	6,392,227
Unrestricted	4,642,328	4,477,616
Total Net Assets	<u>\$ 9,721,541</u>	<u>\$ 10,869,843</u>

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended June 30, 2011 and 2010

	2011	2010
Operating Revenues		
Charges for services	\$ 487,462	\$ 670,341
Operating Expenses		
Landfill Operations		
Purchased and contracted services	44,827	88,847
Supplies	3,618	2,548
Total Landfill Operations	48,445	91,395
Compactor Sites		
Purchased and contracted services	5,460	5,460
Unclassified		
Closure	172,799	258,102
Post closure	113,076	181,543
Depreciation	246,880	247,548
Depletion	1,066,134	2,599,531
Total Unclassified	1,598,889	3,286,724
Total Operating Expenses	1,652,794	3,383,579
Operating Income (Loss)	(1,165,332)	(2,713,238)

(Continued)

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets (Continued)
For the Years Ended June 30, 2011 and 2010

(Continued)

	2011	2010
Non-Operating Revenues		
Investment earnings	\$ 17,030	\$ 21,652
Income (Loss) Before Capital Contributions	(1,148,302)	(2,691,586)
Capital contributions	-	59,579
Change in Net Assets	(1,148,302)	(2,632,007)
Net Assets Beginning of Year	10,869,843	13,501,850
Net Assets End of Year	\$ 9,721,541	\$ 10,869,843

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 477,221	\$ 717,714
Cash payments for goods and services	<u>(55,422)</u>	<u>(91,696)</u>
Net Cash Provided by Operating Activities	<u>421,799</u>	<u>626,018</u>
Cash Flows from Noncapital Financing Activities		
Cash paid for interfund advance	<u>800,000</u>	<u>(800,000)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>800,000</u>	<u>(800,000)</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	<u>-</u>	<u>(23,183)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(23,183)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>17,030</u>	<u>21,652</u>
Net Cash Provided by Financing Activities	<u>17,030</u>	<u>21,652</u>
Net Increase in Cash and Cash Equivalents	1,238,829	(175,513)
Cash and Cash Equivalents Beginning of Year	<u>7,271,435</u>	<u>7,446,948</u>
Cash and Cash Equivalents End of Year	<u>\$ 8,510,264</u>	<u>\$ 7,271,435</u>

(Continued)

Gordon County, Georgia
Solid Waste Management Fund
Comparative Statements of Cash Flows (Continued)
For the Years Ended June 30, 2011 and 2010

(Continued)

	2011	2010
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities		
Operating Income (Loss)	\$ (1,165,332)	\$ (2,713,238)
Adjustments		
Depreciation	246,880	247,548
Depletion	1,066,134	2,599,531
(Increase) Decrease in Assets		
Accounts receivable	(10,241)	47,373
Increase (Decrease) in Liabilities		
Accounts payable	(1,517)	5,159
Closure and post closure care	285,875	439,645
Net Cash Provided by Operating Activities	\$ 421,799	\$ 626,018
Noncash Investing, Capital and Financing Activities		
Capital assets were received through contributions from the landfill's operating lessee.	\$ -	\$ 59,579

Gordon County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011

	<u>Emergency Telephone System</u>	<u>Supplemental Juvenile Services</u>	<u>Drug Abuse Treatment Education</u>	<u>Condemnation</u>	<u>Crime Victims Assistance</u>	<u>Hotel/Motel Taxes</u>	<u>Jail Maintenance and Construction</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets								
Cash and cash equivalents	\$ 908,120	\$ 9,569	\$ 365,172	\$ 59,952	\$ 170,581	\$ 1,802	\$ 76,009	\$ 1,591,205
Receivables								
Accounts	102,770	-	-	-	-	-	-	102,770
Intergovernmental	37,690	-	316	-	2,420	1,954	2,569	44,949
Total Assets	<u>\$ 1,048,580</u>	<u>\$ 9,569</u>	<u>\$ 365,488</u>	<u>\$ 59,952</u>	<u>\$ 173,001</u>	<u>\$ 3,756</u>	<u>\$ 78,578</u>	<u>\$ 1,738,924</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 108,246	\$ -	\$ 8,900	-	\$ -	\$ 3,756	\$ -	\$ 120,902
Accrued expenditures	30,084	-	-	-	2,489	-	-	32,573
Deferred revenue	-	-	-	29,026	-	-	-	29,026
Total Liabilities	<u>138,330</u>	<u>-</u>	<u>8,900</u>	<u>29,026</u>	<u>2,489</u>	<u>3,756</u>	<u>-</u>	<u>182,501</u>
Fund Balances								
Restricted for judicial	-	9,569	356,588	-	170,512	-	-	536,669
Restricted for public safety	910,250	-	-	30,926	-	-	78,578	1,019,754
Total Fund Balances	<u>910,250</u>	<u>9,569</u>	<u>356,588</u>	<u>30,926</u>	<u>170,512</u>	<u>-</u>	<u>78,578</u>	<u>1,556,423</u>
Total Liabilities and Fund Balances	<u>\$ 1,048,580</u>	<u>\$ 9,569</u>	<u>\$ 365,488</u>	<u>\$ 59,952</u>	<u>\$ 173,001</u>	<u>\$ 3,756</u>	<u>\$ 78,578</u>	<u>\$ 1,738,924</u>

Gordon County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2011

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,746	\$ -	\$ 23,746
Intergovernmental	139,666	-	23,855	-	-	-	-	163,521
Charges for services	918,550	-	-	-	-	-	-	918,550
Fines and forfeitures	-	967	57,454	92,959	70,138	-	134,864	356,382
Investment earnings	1,824	20	772	44	381	-	181	3,222
Total Revenues	<u>1,060,040</u>	<u>987</u>	<u>82,081</u>	<u>93,003</u>	<u>70,519</u>	<u>23,746</u>	<u>135,045</u>	<u>1,465,421</u>
Expenditures								
Current								
General government	-	-	-	-	-	-	-	-
Judicial	-	1,166	85,356	-	96,859	-	-	183,381
Public safety	1,507,798	-	-	64,460	-	-	27	1,572,285
Economic development	-	-	-	-	-	23,746	-	23,746
Capital Outlay	<u>144,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,053</u>
Total Expenditures	<u>1,651,851</u>	<u>1,166</u>	<u>85,356</u>	<u>64,460</u>	<u>96,859</u>	<u>23,746</u>	<u>27</u>	<u>1,923,465</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(591,811)</u>	<u>(179)</u>	<u>(3,275)</u>	<u>28,543</u>	<u>(26,340)</u>	<u>-</u>	<u>135,018</u>	<u>(458,044)</u>
Other Financing Sources (Uses)								
Transfers in	533,837	-	-	-	-	-	-	533,837
Transfers out	-	-	-	-	-	-	(150,000)	(150,000)
Total Other Financing Sources (Uses)	<u>533,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>383,837</u>
Net Change in Fund Balances	<u>(57,974)</u>	<u>(179)</u>	<u>(3,275)</u>	<u>28,543</u>	<u>(26,340)</u>	<u>-</u>	<u>(14,982)</u>	<u>(74,207)</u>
Fund Balances Beginning of Year	<u>968,224</u>	<u>9,748</u>	<u>359,863</u>	<u>2,383</u>	<u>196,852</u>	<u>-</u>	<u>93,560</u>	<u>1,630,630</u>
Fund Balances End of Year	<u>\$ 910,250</u>	<u>\$ 9,569</u>	<u>\$ 356,588</u>	<u>\$ 30,926</u>	<u>\$ 170,512</u>	<u>\$ -</u>	<u>\$ 78,578</u>	<u>\$ 1,556,423</u>

Gordon County, Georgia
Emergency Telephone System Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ 908,120	\$ 885,377
Receivables		
Accounts	102,770	102,858
Intergovernmental	37,690	35,962
Total Assets	\$ 1,048,580	\$ 1,024,197
 Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 108,246	\$ 29,013
Accrued expenditures	30,084	26,960
Total Liabilities	138,330	55,973
 Fund Balances		
Restricted for public safety - E-911 system	910,250	968,224
Total Liabilities and Fund Balances	\$ 1,048,580	\$ 1,024,197

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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental	\$ 145,000	\$ 145,000	\$ 139,666	\$ (5,334)	\$ 147,345
Charges for services	825,200	825,200	918,550	93,350	934,037
Investment earnings	850	850	1,824	974	1,879
Total Revenues	971,050	971,050	1,060,040	88,990	1,083,261
Expenditures					
Current					
Public safety					
Personal services and benefits	1,195,323	1,196,114	1,119,282	76,832	1,137,584
Purchased and contracted services	304,414	376,979	368,950	8,029	314,163
Supplies	20,800	20,375	19,566	809	19,091
Capital Outlay	147,000	147,000	144,053	2,947	-
Total Expenditures	1,667,537	1,740,468	1,651,851	88,617	1,470,838
Excess (Deficiency) of Revenues Over (Under) Expenditures	(696,487)	(769,418)	(591,811)	177,607	(387,577)
Other Financing Sources					
Transfers in	549,487	549,487	533,837	(15,650)	626,985
Net Change in Fund Balances	<u>\$ (147,000)</u>	<u>\$ (219,931)</u>	(57,974)	<u>\$ 161,957</u>	239,408
Fund Balances Beginning of Year			968,224		728,816
Fund Balances End of Year			<u>\$ 910,250</u>		<u>\$ 968,224</u>

Gordon County, Georgia
Supplemental Juvenile Services Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 9,569	\$ 9,748
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ -
Fund Balances		
Restricted for judicial - juvenile services	<u>9,569</u>	<u>9,748</u>
Total Liabilities and Fund Balances	<u>\$ 9,569</u>	<u>\$ 9,748</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>			<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 967	\$ (33)	\$ 1,154
Investment earnings	25	25	20	(5)	35
Total Revenues	<u>1,025</u>	<u>1,025</u>	<u>987</u>	<u>(38)</u>	<u>1,189</u>
Expenditures					
Current					
Judicial					
Personal services and benefits	6,459	6,459	1,163	5,296	4,420
Purchased and contracted services	2,020	2,020	3	2,017	1,151
Total Expenditures	<u>8,479</u>	<u>8,479</u>	<u>1,166</u>	<u>7,313</u>	<u>5,571</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (7,454)</u>	<u>\$ (7,454)</u>	<u>\$ (179)</u>	<u>\$ 7,275</u>	<u>\$ (4,382)</u>
Fund Balances Beginning of Year			<u>9,748</u>		<u>14,130</u>
Fund Balances End of Year			<u>\$ 9,569</u>		<u>\$ 9,748</u>

Gordon County, Georgia
Drug Abuse Treatment Education Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 365,172	\$ 363,601
Intergovernmental receivables	316	77
Total Assets	<u>\$ 365,488</u>	<u>\$ 363,678</u>
 Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 8,900	\$ 3,815
 Fund Balances		
Restricted for judicial - drug treatment education	<u>356,588</u>	<u>359,863</u>
Total Liabilities and Fund Balances	<u>\$ 365,488</u>	<u>\$ 363,678</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>			<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Intergovernmental	\$ -	\$ 23,855	\$ 23,855	\$ -	\$ -
Fines and forfeitures	55,000	55,000	57,454	2,454	59,829
Investment earnings	600	600	772	172	1,086
Total Revenues	<u>55,600</u>	<u>79,455</u>	<u>82,081</u>	<u>2,626</u>	<u>60,915</u>
Expenditures					
Current					
Judicial					
Purchased and contracted services	67,630	90,448	84,319	6,129	79,190
Supplies	-	1,037	1,037	-	-
Total Expenditures	<u>67,630</u>	<u>91,485</u>	<u>85,356</u>	<u>6,129</u>	<u>79,190</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (12,030)</u>	<u>\$ (12,030)</u>	(3,275)	<u>8,755</u>	\$ (18,275)
Fund Balances Beginning of Year			<u>359,863</u>		<u>378,138</u>
Fund Balances End of Year			<u>\$ 356,588</u>		<u>\$ 359,863</u>

Gordon County, Georgia
Condemnation Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 59,952	\$ 61,097
Liabilities and Fund Balances		
Liabilities		
Deferred revenue	\$ 29,026	\$ 58,714
Fund Balances		
Restricted for public safety - special enforcement	<u>30,926</u>	<u>2,383</u>
Total Liabilities and Fund Balances	<u>\$ 59,952</u>	<u>\$ 61,097</u>

Gordon County, Georgia
Condemnation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 37,500	\$ 64,550	\$ 84,659	\$ 20,109	\$ 23,186
Sale of seized property	-	-	8,300	8,300	57,031
Investment earnings	100	100	44	(56)	111
Total Revenues	37,600	64,650	93,003	28,353	80,328
Expenditures					
Current					
Public safety					
Purchased and contracted services	22,500	44,900	44,840	60	23,436
Supplies	15,100	19,750	19,620	130	69,109
Total Expenditures	37,600	64,650	64,460	190	92,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	28,543	28,543	(12,217)
Fund Balances Beginning of Year			2,383		14,600
Fund Balances End of Year			\$ 30,926		\$ 2,383

Gordon County, Georgia
Crime Victims Assistance Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 170,581	\$ 196,830
Intergovernmental receivables	<u>2,420</u>	<u>2,166</u>
Total Assets	<u>\$ 173,001</u>	<u>\$ 198,996</u>
 Liabilities and Fund Balances		
Liabilities		
Accrued expenditures	\$ 2,489	\$ 2,144
 Fund Balances		
Restricted for judicial - crime victims assistance	<u>170,512</u>	<u>196,852</u>
Total Liabilities and Fund Balances	<u>\$ 173,001</u>	<u>\$ 198,996</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 78,150	\$ 78,150	\$ 70,138	\$ (8,012)	\$ 78,846
Investment earnings	300	300	381	81	609
Total Revenues	<u>78,450</u>	<u>78,450</u>	<u>70,519</u>	<u>(7,931)</u>	<u>79,455</u>
Expenditures					
Current					
Judicial					
Personal services and benefits	110,792	113,447	94,451	18,996	97,674
Purchased and contracted services	7,745	7,745	248	7,497	5,996
Supplies	3,900	3,900	2,160	1,740	53
Total Expenditures	<u>122,437</u>	<u>125,092</u>	<u>96,859</u>	<u>28,233</u>	<u>103,723</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,987)	(46,642)	(26,340)	20,302	(24,268)
Other Financing Sources					
Transfers in	1,953	1,953	-	(1,953)	-
Net Change in Fund Balances	<u>\$ (42,034)</u>	<u>\$ (44,689)</u>	(26,340)	<u>\$ 18,349</u>	(24,268)
Fund Balances Beginning of Year			<u>196,852</u>		<u>221,120</u>
Fund Balances End of Year			<u>\$ 170,512</u>		<u>\$ 196,852</u>

Gordon County, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 1,802	\$ -
Intergovernmental receivable	<u>1,954</u>	<u>3,988</u>
Total Assets	<u>\$ 3,756</u>	<u>\$ 3,988</u>
Liabilities		
Accounts payable	<u>\$ 3,756</u>	<u>\$ 3,988</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>			<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Taxes	\$ 30,000	\$ 30,000	\$ 23,746	\$ (6,254)	\$ 24,387
Expenditures					
Current					
Economic development					
Industrial Development Authority	12,000	12,000	9,498	2,502	9,755
Chamber of Commerce	18,000	18,000	14,248	3,752	14,632
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>23,746</u>	<u>6,254</u>	<u>24,387</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Gordon County, Georgia
Jail Maintenance and Construction Fund
Comparative Balance Sheets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 76,009	\$ 90,375
Intergovernmental receivable	<u>2,569</u>	<u>3,185</u>
Total Assets	<u>\$ 78,578</u>	<u>\$ 93,560</u>
Fund Balances		
Restricted for public safety - jail maintenance	<u>\$ 78,578</u>	<u>\$ 93,560</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 135,000	\$ 135,000	\$ 134,864	\$ (136)	\$ 145,122
Investment earnings	150	150	181	31	193
Total Revenues	<u>135,150</u>	<u>135,150</u>	<u>135,045</u>	<u>(105)</u>	<u>145,315</u>
Expenditures					
Current					
Public safety					
Purchased and contracted services	50	50	27	23	22
Excess (Deficiency) of Revenues Over (Under) Expenditures	135,100	135,100	135,018	(82)	145,293
Other Financing (Uses)					
Transfers out	(150,000)	(150,000)	(150,000)	-	(100,000)
Net Change in Fund Balances	<u>\$ (14,900)</u>	<u>\$ (14,900)</u>	<u>\$ (14,982)</u>	<u>\$ (82)</u>	<u>45,293</u>
Fund Balances Beginning of Year			<u>93,560</u>		<u>48,267</u>
Fund Balances End of Year			<u>\$ 78,578</u>		<u>\$ 93,560</u>

Gordon County, Georgia
Chert Fund
Comparative Statements of Net Assets
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 203,683	\$ 157,540
Noncurrent Assets		
Capital Assets		
Land	80,000	80,000
Depreciable, net	-	-
Total Noncurrent Assets	<u>80,000</u>	<u>80,000</u>
Total Assets	<u>283,683</u>	<u>237,540</u>
Liabilities		
Current Liabilities		
Accounts payable	551	1,548
Accrued salaries	1,277	1,135
Compensated absences payable	<u>1,532</u>	<u>1,458</u>
Total Current Liabilities	3,360	4,141
Long-Term Liabilities		
Compensated absences payable (net of current portion)	<u>2,590</u>	<u>2,465</u>
Total Liabilities	<u>5,950</u>	<u>6,606</u>
Net Assets		
Invested in capital assets	80,000	80,000
Unrestricted	<u>197,733</u>	<u>150,934</u>
Total Net Assets	<u>\$ 277,733</u>	<u>\$ 230,934</u>

Gordon County, Georgia
Chert Fund
*Comparative Statements of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended June 30, 2011 and 2010*

	2011	2010
Operating Revenues		
Sales	\$ 41,652	\$ 53,575
Miscellaneous	97	76
Total Operating Revenues	<u>41,749</u>	<u>53,651</u>
Operating Expenses		
Personal services and benefits	50,504	54,299
Purchased and contracted services	813	2,717
Supplies	16,838	19,325
Depreciation	-	3,794
Total Operating Expenses	<u>68,155</u>	<u>80,135</u>
Operating (Loss)	(26,406)	(26,484)
Non-Operating Revenues		
Investment earnings	<u>355</u>	<u>262</u>
(Loss) Before Transfers In	(26,051)	(26,222)
Transfers in	<u>72,850</u>	<u>86,950</u>
Change in Net Assets	46,799	60,728
Net Assets Beginning of Year	<u>230,934</u>	<u>170,206</u>
Net Assets End of Year	<u>\$ 277,733</u>	<u>\$ 230,934</u>

Gordon County, Georgia
Chert Fund
Comparative Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 41,749	\$ 53,097
Cash payments to employees for services and benefits	(50,163)	(52,787)
Cash payments for goods and services	<u>(18,648)</u>	<u>(21,656)</u>
Net Cash (Used) by Operating Activities	<u>(27,062)</u>	<u>(21,346)</u>
Cash Flows from Non Capital Financing Activities		
Transfers in	<u>72,850</u>	<u>86,950</u>
Net Cash Provided by Non Capital Financing Activities	<u>72,850</u>	<u>86,950</u>
Cash Flows from Investing Activities		
Investment earnings	<u>355</u>	<u>261</u>
Net Increase in Cash and Cash Equivalents	46,143	65,865
Cash and Cash Equivalents Beginning of Year	<u>157,540</u>	<u>91,675</u>
Cash and Cash Equivalents End of Year	<u>\$ 203,683</u>	<u>\$ 157,540</u>

(Continued)

Gordon County, Georgia
Chert Fund
Comparative Statements of Cash Flows (Continued)
For the Years Ended June 30, 2011 and 2010

(Continued)

	2011	2010
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities		
Operating (Loss)	\$ (26,406)	\$ (26,484)
Adjustments		
Depreciation	-	3,794
Increase (Decrease) in Liabilities		
Accounts payable	(997)	(169)
Accrued salaries	142	142
Compensated absences payable	199	1,371
Net Cash (Used) by Operating Activities	\$ (27,062)	\$ (21,346)

Gordon County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2011

Tax Commissioner Fund	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ 522,343	\$ 30,705,695	\$ 30,296,381	\$ (273,138)	\$ 658,519
Liabilities					
Interfund payable	\$ -	\$ 16,820,148	\$ 16,547,010	\$ (273,138)	\$ -
Due to others	522,343	13,885,547	13,749,371	-	658,519
Total Liabilities	\$ 522,343	\$ 30,705,695	\$ 30,296,381	\$ (273,138)	\$ 658,519
Clerk of Superior Court Fund	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ 116,898	\$ 4,294,912	\$ 3,375,581	\$ (56,555)	\$ 979,674
Liabilities					
Interfund payable	\$ -	\$ 348,117	\$ 291,562	\$ (56,555)	\$ -
Due to others	116,898	3,946,795	3,084,019	-	979,674
Total Liabilities	\$ 116,898	\$ 4,294,912	\$ 3,375,581	\$ (56,555)	\$ 979,674
Sheriff Fund	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ -	\$ 792,581	\$ 763,385	\$ (29,196)	\$ -
Liabilities					
Interfund payable	\$ -	\$ 450,499	\$ 421,303	\$ (29,196)	\$ -
Due to others	-	342,082	342,082	-	-
Total Liabilities	\$ -	\$ 792,581	\$ 763,385	\$ (29,196)	\$ -

(Continued)

Gordon County, Georgia
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
For The Year Ended June 30, 2011

(Continued)

Probate Court Fund	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ 20,998	\$ 1,180,937	\$ 1,118,646	\$ (65,812)	\$ 17,477
Liabilities					
Interfund payable	\$ -	\$ 758,500	\$ 692,688	\$ (65,812)	\$ -
Due to others	20,998	422,437	425,958	-	17,477
Total Liabilities	\$ 20,998	\$ 1,180,937	\$ 1,118,646	\$ (65,812)	\$ 17,477

Magistrate Court Fund	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ 60,344	\$ 451,858	\$ 438,604	\$ (14,045)	\$ 59,553
Liabilities					
Interfund payable	\$ -	\$ 129,073	\$ 115,028	\$ (14,045)	\$ -
Due to others	60,344	322,785	323,576	-	59,553
Total Liabilities	\$ 60,344	\$ 451,858	\$ 438,604	\$ (14,045)	\$ 59,553

Juvenile Court Fund	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ 34,382	\$ 31,322	\$ 15,500	\$ (1,300)	\$ 48,904
Liabilities					
Interfund payable	\$ -	\$ 6,058	\$ 4,758	\$ (1,300)	\$ -
Due to others	34,382	25,264	10,742	-	48,904
Total Liabilities	\$ 34,382	\$ 31,322	\$ 15,500	\$ (1,300)	\$ 48,904

(Continued)

Gordon County, Georgia
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
For The Year Ended June 30, 2011

(Continued)

Total	Balance July 1, 2010	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance June 30, 2011
Assets					
Cash and cash equivalents	\$ 754,965	\$ 37,457,305	\$ 36,008,097	\$ (440,046)	\$ 1,764,127
Liabilities					
Interfund payable	\$ -	\$ 18,512,395	\$ 18,072,349	\$ (440,046)	\$ -
Due to others	754,965	18,944,910	17,935,748	-	1,764,127
Total Liabilities	\$ 754,965	\$ 37,457,305	\$ 36,008,097	\$ (440,046)	\$ 1,764,127

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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	<u>Page</u>
Financial Trends	121-131

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	132-142
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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. Sales 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	143-145
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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	146-148
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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	149-152
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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.

Source:

¹ Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant year. The County implemented GASB Statement No. 34 in fiscal year 2003, therefore tables presenting government-wide information includes only nine years of data.

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

Source	Fiscal Year Ended June 30,								
	2003	2004	2005	2006	Restated 2007	2008	2009	2010	2011
Expenses:									
General government	\$ 3,775,472	\$ 3,297,377	\$ 4,542,894	\$ 4,744,242	\$ 4,662,963	\$ 5,173,106	\$ 7,331,063	\$ 5,220,427	\$ 5,225,695
Judicial	2,052,618	2,060,392	2,285,723	2,493,942	2,812,980	2,813,030	3,020,753	3,021,725	2,967,754
Public safety	8,218,207	9,373,931	10,312,187	11,019,418	12,258,807	13,386,235	14,861,528	15,483,877	15,229,542
Highways and streets	7,052,964	4,567,765	6,972,106	4,218,657	5,457,326	8,059,438	8,198,197	7,673,983	8,269,323
Health and welfare	779,118	683,637	709,660	716,591	689,289	706,280	716,416	723,570	681,392
Culture and recreation	1,947,340	908,058	1,498,938	3,438,458	2,481,197	2,186,942	2,449,455	2,304,216	2,207,764
Conservation	103,009	105,921	129,283	131,268	133,353	123,565	182,426	146,036	148,858
Economic development	329,798	264,702	175,191	174,858	175,547	153,917	150,051	180,021	222,027
Planning and zoning	-	-	315,914	306,786	367,729	421,767	387,440	289,867	287,872
Interest and fiscal charges	370,231	376,039	305,903	536,629	1,156,332	1,073,487	1,254,322	1,083,380	898,354
Total Expenses	24,628,757	21,637,822	27,247,799	27,780,849	30,195,523	34,097,767	38,551,651	36,127,102	36,138,581
Program Revenues:									
Charges for services:									
Tax commissions	336,006	392,021	453,985	461,916	458,816	452,746	534,153	526,234	591,675
Court fees	284,157	304,943	274,777	275,874	320,609	300,176	145,915	180,219	170,375
Sheriff fees	339,282	295,119	254,304	334,524	185,566	219,432	162,459	449,573	481,958
Fines	1,306,887	1,443,642	1,391,341	1,542,063	1,744,704	1,691,282	1,228,016	1,191,024	1,120,307
Emergency telephone fees	426,875	418,288	407,404	562,051	714,501	756,484	866,285	934,037	918,550
Other	1,981,210	410,397	670,634	727,048	865,244	891,610	1,319,312	1,287,100	1,303,209
Operating grants and contributions	876,815	263,337	577,593	863,409	697,609	425,891	538,413	454,510	566,648
Capital grants and contributions	784,801	687,575	328,009	954,769	939,220	702,821	510,000	-	3,319,274
Total Program Revenues	6,336,033	4,215,322	4,358,047	5,721,654	5,926,269	5,440,442	5,304,553	5,022,697	8,471,996
Net (Expense) Revenue	(18,292,724)	(17,422,500)	(22,889,752)	(22,059,195)	(24,269,254)	(28,657,325)	(33,247,098)	(31,104,405)	(27,666,585)
General Revenues and Transfers:									
Taxes:									
Property	5,872,864	6,927,503	9,988,091	10,558,303	15,589,173	16,494,592	16,714,535	16,835,573	16,250,052
Sales	12,084,308	12,891,252	13,720,070	15,667,401	15,759,482	16,180,586	14,022,711	13,877,792	13,950,131
Insurance premium	1,202,170	1,300,771	1,389,064	1,455,697	1,530,684	1,567,994	1,545,511	1,503,121	1,582,218
Alcohol beverage	195,841	212,617	207,587	220,124	214,256	216,677	207,146	200,378	199,491
Real estate transfer	314,561	120,362	308,127	414,243	471,818	344,221	230,837	187,604	190,089
Other	225,520	482,094	247,366	322,220	287,545	268,098	292,654	274,612	267,672
Payment in lieu of taxes	-	-	44,371	87,676	76,885	115,044	161,456	263,264	368,757
Compensation for sale of capital assets	-	252,040	16,157	-	-	-	-	-	-
Gain on sale of capital assets	23,553	8,653	-	-	7,083	-	-	18,365	-
Investment earnings	275,433	219,980	458,631	1,105,657	2,245,923	1,521,084	414,706	81,219	47,319
Miscellaneous	44,581	37,464	-	2,455	3,743	-	17,028	11,514	45,706
Transfers - net	(699,947)	(57,619)	56,870	-	125,000	(60,000)	(56,936)	(86,950)	(72,850)
Total General Revenues and Transfers	19,538,884	22,395,117	26,436,334	29,833,776	36,311,592	36,648,296	33,549,648	33,166,492	32,828,585
Change in Net Assets	\$ 1,246,160	\$ 4,972,617	\$ 3,546,582	\$ 7,774,581	\$ 12,042,338	\$ 7,990,971	\$ 302,550	\$ 2,062,087	\$ 5,162,000

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

Source	Fiscal Year Ended June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
Solid waste management	\$ 548,095	\$ 1,616,188	\$ 2,469,620	\$ 1,810,311	\$ 3,028,466	\$ 4,137,104	\$ (1,121,612)	\$ 3,383,579	\$ 1,652,794
Chert	323,146	292,973	266,708	306,288	327,144	232,910	128,238	80,135	68,155
Building and planning ¹	254,873	299,869	-	-	-	-	-	-	-
Total Expenses	1,126,114	2,209,030	2,736,328	2,116,599	3,355,610	4,370,014	(993,374)	3,463,714	1,720,949
Program Revenues:									
Charges for services:									
Solid waste management	1,693,601	1,400,963	1,273,221	949,687	825,156	1,042,590	745,624	670,341	487,462
Chert	212,898	252,720	244,140	269,985	259,172	161,764	97,159	53,575	41,652
Building and planning ¹	162,983	252,917	-	-	-	-	-	-	-
Operating grants and contributions	15,847	-	-	-	-	-	-	-	-
Capital grants and contributions	18,548	-	654,499	-	-	-	3,100,000	59,579	-
Total Program Revenues	2,103,877	1,906,600	2,171,860	1,219,672	1,084,328	1,204,354	3,942,783	783,495	529,114
Net (Expense) Revenue	977,763	(302,430)	(564,468)	(896,927)	(2,271,282)	(3,165,660)	4,936,157	(2,680,219)	(1,191,835)
General Revenues and Transfers:									
Investment earnings	54,488	52,059	114,240	199,159	266,278	237,552	99,827	21,914	17,385
Miscellaneous	28,767	29,130	820	248	6,138	206	144	76	97
Transfers - net	699,947	57,619	(56,870)	-	(125,000)	60,000	56,936	86,950	72,850
Total General Revenues and Transfers	783,202	138,808	58,190	199,407	147,416	297,758	156,907	108,940	90,332
Change in Net Assets	\$ 1,760,965	\$ (163,622)	\$ (506,278)	\$ (697,520)	\$ (2,123,866)	\$ (2,867,902)	\$ 5,093,064	\$ (2,571,279)	\$ (1,101,503)

Note:

¹Subsequent to June 30, 2004, the building and planning operation is reported in the General Fund.

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

Source	Fiscal Year Ended June 30,								
	2003	2004	2005	2006	Restated 2007	2008	2009	2010	2011
Expenses:									
Governmental activities ¹	\$ 24,628,757	\$ 21,637,822	\$ 27,247,799	\$ 27,780,849	\$ 30,195,523	\$ 34,097,767	\$ 38,551,651	\$ 36,127,102	\$ 36,138,581
Business-type activities ²	1,126,114	2,209,030	2,736,328	2,116,599	3,355,610	4,370,014	(993,374)	3,463,714	1,720,949
Total Expenses	25,754,871	23,846,852	29,984,127	29,897,448	33,551,133	38,467,781	37,558,277	39,590,816	37,859,530
Program Revenues:									
Governmental activities ¹	6,336,033	4,215,322	4,358,047	5,721,654	5,926,269	5,440,442	5,304,553	5,022,697	8,471,996
Business-type activities ²	2,103,877	1,906,600	2,171,860	1,219,672	1,084,328	1,204,354	3,942,783	783,495	529,114
Total Program Revenues	8,439,910	6,121,922	6,529,907	6,941,326	7,010,597	6,644,796	9,247,336	5,806,192	9,001,110
Net (Expense) Revenue	(17,314,961)	(17,724,930)	(23,454,220)	(22,956,122)	(26,540,536)	(31,822,985)	(28,310,941)	(33,784,624)	(28,858,420)
General Revenues and Transfers:									
Governmental activities ¹	19,538,884	22,395,117	26,436,334	29,833,776	36,311,592	36,648,296	33,549,648	33,166,492	32,828,585
Business-type activities ²	783,202	138,808	58,190	199,407	147,416	297,758	156,907	108,940	90,332
Total General Revenues and Transfers	20,322,086	22,533,925	26,494,524	30,033,183	36,459,008	36,946,054	33,706,555	33,275,432	32,918,917
Change in Net Assets	\$ 3,007,125	\$ 4,808,995	\$ 3,040,304	\$ 7,077,061	\$ 9,918,472	\$ 5,123,069	\$ 5,395,614	\$ (509,192)	\$ 4,060,497

Notes:

¹See Table-Changes in Net Assets - Governmental Activities

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

Gordon County, Georgia
Government-wide Net Assets by Category²
Last Nine Fiscal Years¹
(accrual basis of accounting)

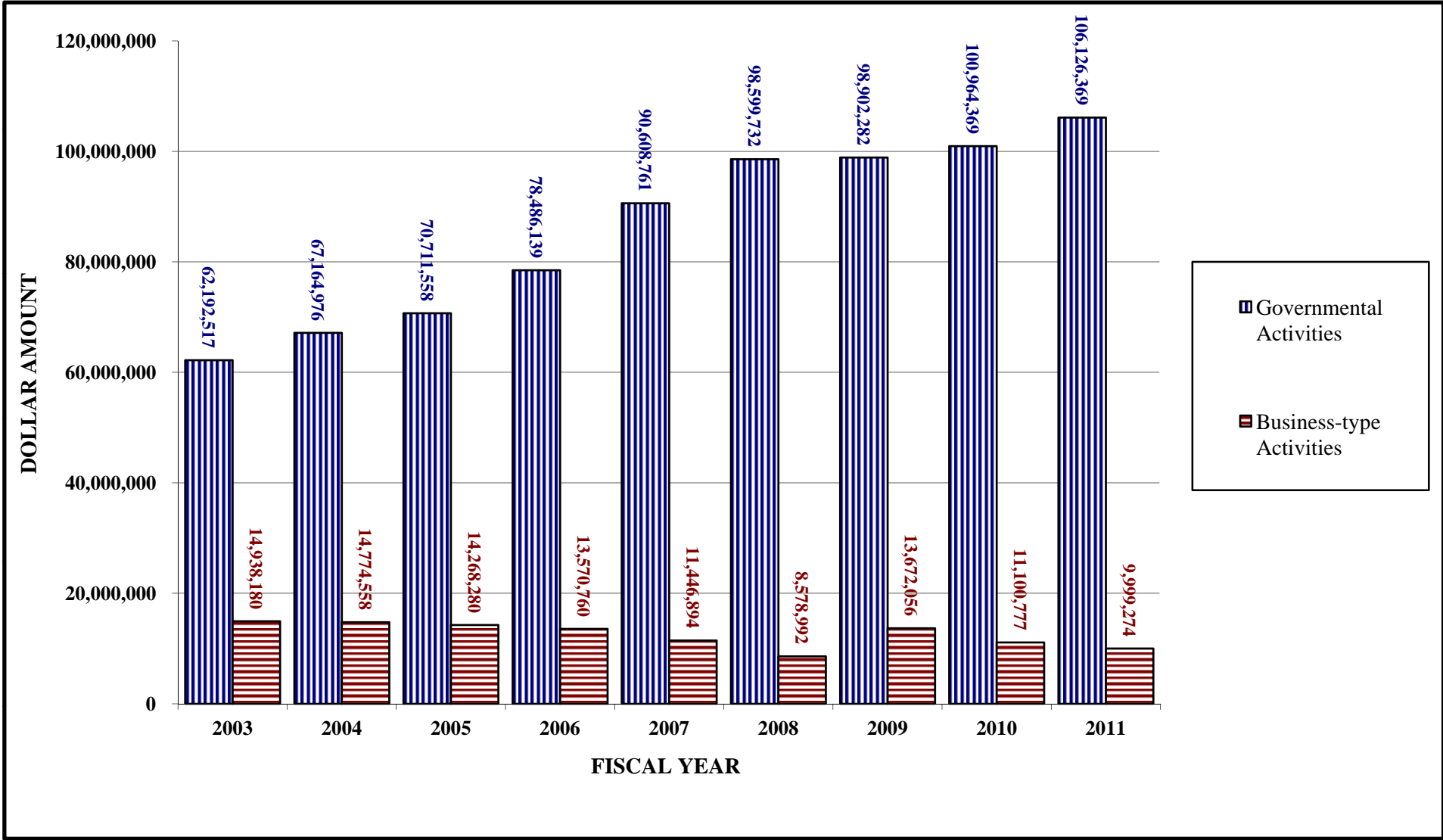
	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	Restated June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
Governmental Activities									
Invested in capital assets, net of related debt	\$ 44,049,498	\$ 48,504,057	\$ 50,068,098	\$ 56,780,543	\$ 63,594,433	\$ 67,083,089	\$ 66,757,998	\$ 68,200,566	\$ 73,023,233
Restricted	10,228,925	10,826,754	12,856,605	13,718,050	14,545,932	15,197,332	14,849,175	15,044,244	14,638,762
Unrestricted	7,914,094	7,834,165	7,786,855	7,987,546	12,468,396	16,319,311	17,295,109	17,719,559	18,464,374
Subtotal Governmental Activities									
Net Assets	<u>62,192,517</u>	<u>67,164,976</u>	<u>70,711,558</u>	<u>78,486,139</u>	<u>90,608,761</u>	<u>98,599,732</u>	<u>98,902,282</u>	<u>100,964,369</u>	<u>106,126,369</u>
Business-type Activities									
Invested in capital assets, net of related debt	13,181,994	12,502,875	11,782,620	10,943,790	8,555,670	5,332,820	9,240,338	6,472,227	5,159,213
Unrestricted	1,756,186	2,271,683	2,485,660	2,626,970	2,891,224	3,246,172	4,431,718	4,628,550	4,840,061
Subtotal Business-type Activities									
Net Assets	<u>14,938,180</u>	<u>14,774,558</u>	<u>14,268,280</u>	<u>13,570,760</u>	<u>11,446,894</u>	<u>8,578,992</u>	<u>13,672,056</u>	<u>11,100,777</u>	<u>9,999,274</u>
Primary Government									
Invested in capital assets, net of related debt	57,231,492	61,006,932	61,850,718	67,724,333	72,150,103	72,415,909	75,998,336	74,672,793	78,182,446
Restricted	10,228,925	10,826,754	12,856,605	13,718,050	14,545,932	15,197,332	14,849,175	15,044,244	14,638,762
Unrestricted	9,670,280	10,105,848	10,272,515	10,614,516	15,359,620	19,565,483	21,726,827	22,348,109	23,304,435
Total Primary Governmental									
Net Assets	<u>\$ 77,130,697</u>	<u>\$ 81,939,534</u>	<u>\$ 84,979,838</u>	<u>\$ 92,056,899</u>	<u>\$ 102,055,655</u>	<u>\$ 107,178,724</u>	<u>\$ 112,574,338</u>	<u>\$ 112,065,146</u>	<u>\$ 116,125,643</u>

Notes:

¹ The County implemented GASB Statement No. 34 in fiscal year 2003, therefore, only nine years of government-wide financial data is presented.

² Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets 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.

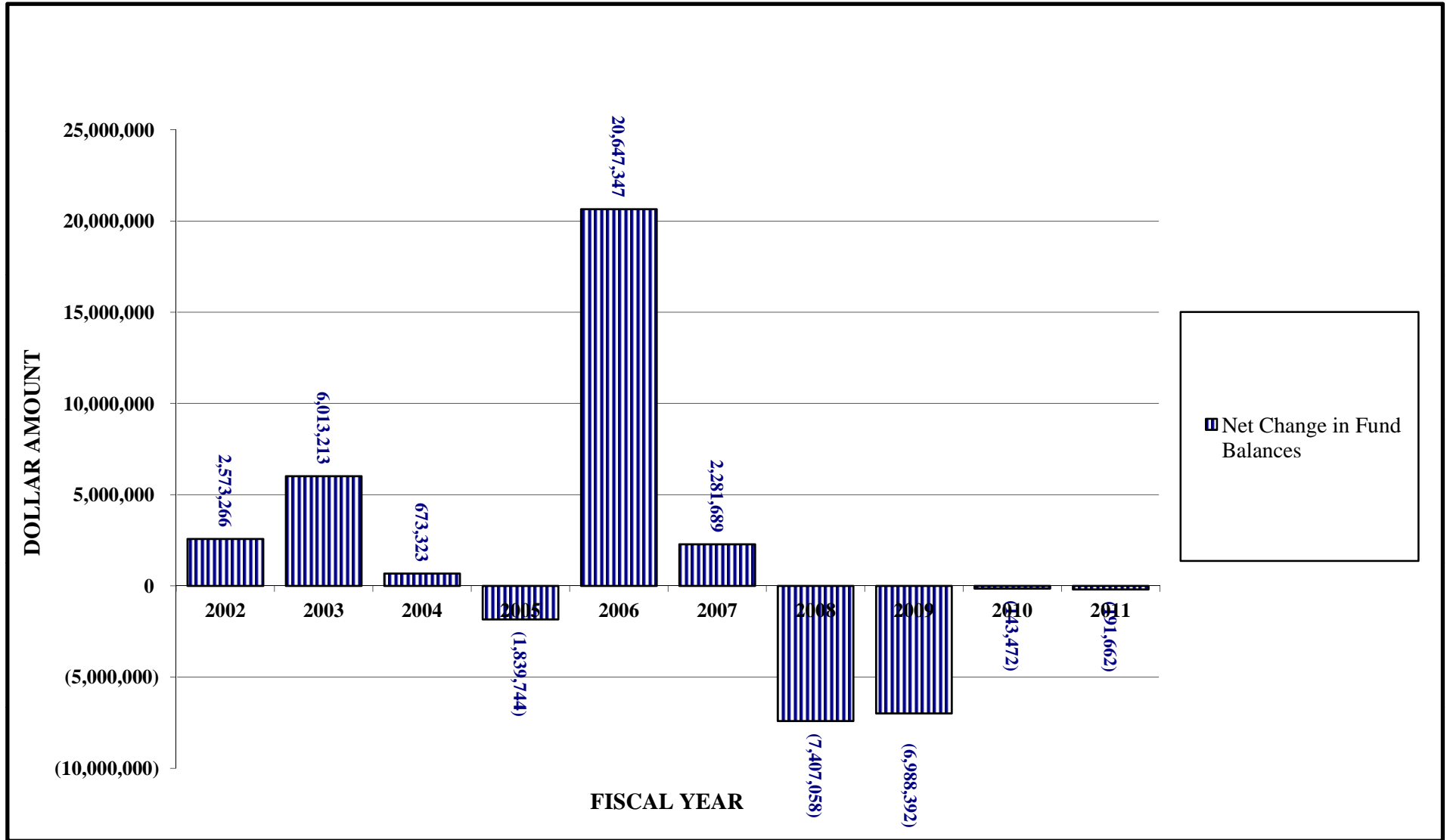
Gordon County, Georgia
Chart-Government-wide Net Assets by Category
Last Nine Fiscal Years
(accrual basis of accounting)



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

	Fiscal Year Ended June 30,									
	2002	2003	2004	2005	2006	2007	Restated 2008	2009	2010	2011
Revenues:										
Taxes	\$ 19,027,092	\$ 19,975,484	\$ 21,999,116	\$ 25,568,571	\$ 28,764,203	\$ 33,492,400	\$ 35,030,402	\$ 32,288,505	\$ 32,521,683	\$ 32,291,022
Licenses and permits	57,739	58,469	122,436	359,160	335,261	408,700	327,305	200,563	154,963	180,410
Intergovernmental	1,042,757	1,637,621	932,912	928,243	1,858,657	1,707,472	1,210,718	1,192,517	704,381	2,612,610
Charges for services	1,496,128	3,174,704	1,678,164	1,618,877	1,993,700	2,092,143	2,128,120	2,144,879	2,507,067	2,578,251
Fines and forfeitures	1,422,185	1,441,244	1,463,810	1,433,401	1,542,063	1,753,608	1,691,282	1,564,061	1,556,192	1,476,689
Investment earnings	420,706	275,433	219,980	458,631	1,105,657	2,245,923	1,521,085	414,706	81,219	66,292
Contributions and donations	-	23,995	18,000	21,730	47,197	6,242	33,038	17,352	13,393	1,623,097
Miscellaneous	162,007	44,581	37,464	41,007	34,907	38,732	165,022	346,721	361,479	354,685
Total Revenues	\$ 23,628,614	\$ 26,631,531	\$ 26,471,882	\$ 30,429,620	\$ 35,681,645	\$ 41,745,220	\$ 42,106,972	\$ 38,169,304	\$ 37,900,377	\$ 41,183,056
Expenditures:										
General government	3,192,350	3,647,339	4,339,184	4,016,600	4,114,582	4,452,169	8,589,734	5,806,911	5,021,580	8,167,566
Judicial	1,781,935	2,075,528	2,058,732	2,273,154	2,446,353	2,751,368	2,753,016	2,984,862	2,953,491	2,907,177
Public safety	7,258,943	8,225,973	9,141,157	9,623,572	10,570,613	11,434,297	13,574,075	14,092,442	14,165,234	13,829,868
Highways and streets	3,856,471	3,804,233	3,160,446	3,109,863	3,360,857	2,902,711	2,969,361	3,691,977	3,536,938	2,931,294
Health and welfare	710,187	740,457	683,637	709,660	716,591	689,289	706,280	716,416	723,570	681,392
Culture and recreation	793,812	938,869	858,956	1,049,729	1,412,841	1,594,946	1,904,228	1,857,356	1,800,752	1,783,370
Conservation	93,040	103,009	105,975	129,215	131,209	132,851	123,050	182,118	145,070	143,606
Economic development	121,525	327,956	264,702	175,191	174,858	175,547	153,917	150,051	180,021	222,027
Planning and zoning	-	-	-	303,373	306,375	369,613	414,632	388,911	290,273	283,979
Intergovernmental	-	-	-	-	-	-	-	2,608,066	2,712,069	2,940,298
Capital outlay	3,666,688	5,719,604	3,778,443	9,376,940	12,395,936	10,734,014	25,520,674	7,492,618	718,747	1,908,064
Debt service:										
Principal retirement	630,884	1,465,883	2,670,594	2,961,551	3,191,412	3,081,458	4,347,151	3,891,544	4,558,614	4,576,334
Debt issuance costs	-	-	-	-	352,758	-	364,321	-	-	-
Interest and fiscal charges	281,643	379,707	395,847	292,695	297,462	1,282,865	1,084,181	1,325,332	1,168,905	994,430
Total Expenditures	22,387,478	27,428,558	27,457,673	34,021,543	39,471,847	39,601,128	62,504,620	45,188,604	37,975,264	41,369,405
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,241,136	(797,027)	(985,791)	(3,591,923)	(3,790,202)	2,144,092	(20,397,648)	(7,019,300)	(74,887)	(186,349)
Other Financing Sources (Uses)										
Transfers in	2,239,555	1,872,652	2,875,460	3,154,592	2,691,840	2,641,648	4,407,917	4,476,898	4,094,025	2,404,993
Transfers out	(1,125,590)	(2,572,599)	(2,933,079)	(3,123,434)	(2,691,840)	(2,516,648)	(4,467,917)	(4,533,834)	(4,180,975)	(2,477,843)
Inception of capital lease	161,901	7,486,634	1,424,213	555,000	23,360,495	-	12,847,639	-	-	-
Premium on debt issued	-	-	-	-	760,508	-	180,345	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	16,944	-	41,745
Sale of capital assets	-	23,553	283,867	4,492	36,348	12,597	22,606	70,900	18,365	25,792
Inception of loan	-	-	-	1,145,372	280,198	-	-	-	-	-
Compensation for loss of capital assets	56,264	-	8,653	16,157	-	-	-	-	-	-
Total Other Financing Sources (Uses)	1,332,130	6,810,240	1,659,114	1,752,179	24,437,549	137,597	12,990,590	30,908	(68,585)	(5,313)
Net Change in Fund Balances	\$ 2,573,266	\$ 6,013,213	\$ 673,323	\$ (1,839,744)	\$ 20,647,347	\$ 2,281,689	\$ (7,407,058)	\$ (6,988,392)	\$ (143,472)	\$ (191,662)
Debt Service as a % of Noncapital Expenditures	5.0%	8.9%	13.9%	11.9%	12.6%	14.4%	15.3%	13.8%	15.5%	15.1%

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



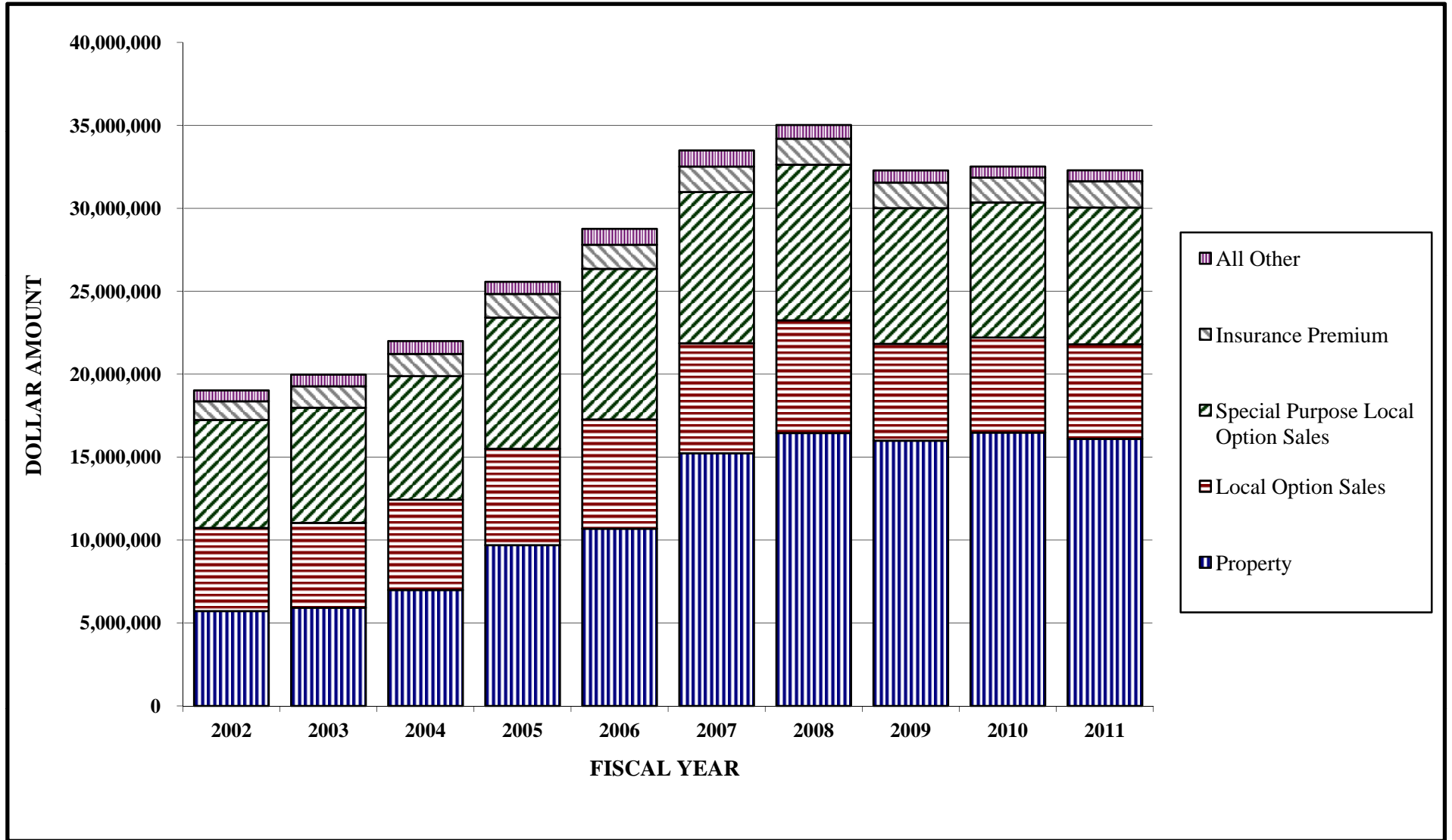
Gordon County, Georgia
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Local Option Sales	Special Purpose Local Option Sales	Insurance Premium	Alcoholic Beverage	Real Estate Transfer	Other¹	Total
2002	\$ 5,716,492	\$ 5,012,080	\$ 6,515,136	\$ 1,120,960	\$ 180,945	\$ 271,922	\$ 209,557	\$ 19,027,092
2003	5,924,572	5,113,269	6,943,394	1,292,932	195,841	314,561	190,915	19,975,484
2004	6,992,020	5,443,224	7,448,028	1,337,744	212,617	364,857	200,626	21,999,116
2005	9,696,357	5,804,586	7,915,484	1,424,679	207,587	308,127	211,751	25,568,571
2006	10,684,518	6,588,345	9,079,056	1,455,697	220,124	414,243	322,220	28,764,203
2007	15,228,615	6,638,290	9,121,192	1,530,684	214,256	471,818	287,545	33,492,400
2008	16,452,826	6,792,668	9,387,918	1,567,994	216,677	344,221	268,098	35,030,402
2009	15,989,646	5,841,171	8,181,540	1,545,511	207,146	230,837	292,654	32,288,505
2010	16,478,176	5,730,373	8,147,419	1,503,121	200,378	187,604	274,612	32,521,683
2011	16,101,421	5,702,854	8,247,277	1,582,218	199,491	190,089	267,672	32,291,022
Percentage Change In Dollars Over 10 Years	<u>181.7%</u>	<u>13.8%</u>	<u>26.6%</u>	<u>41.1%</u>	<u>10.2%</u>	<u>-30.1%</u>	<u>27.7%</u>	<u>69.7%</u>

Notes:

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

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



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

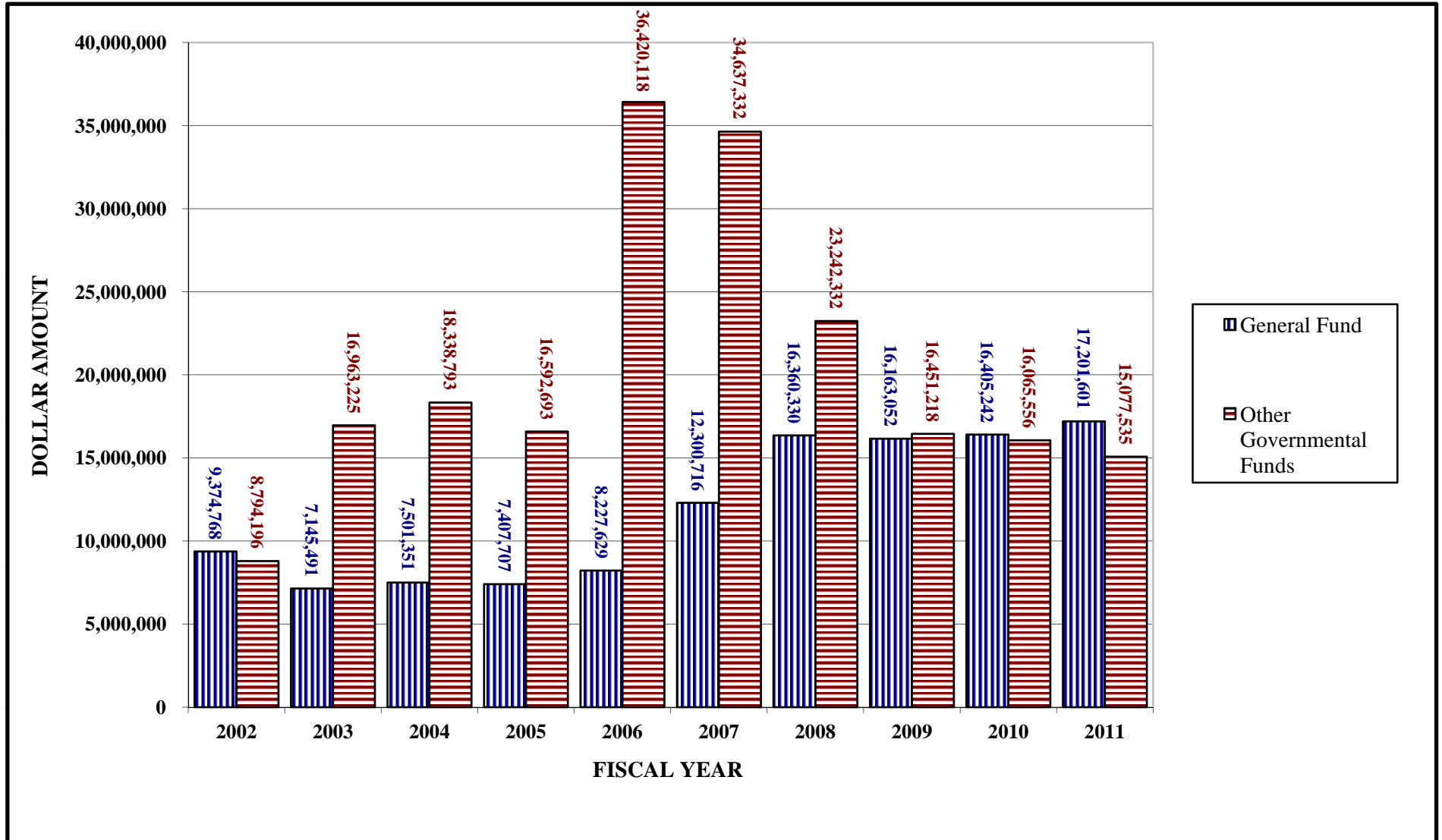
	Restated									
	June 30,									
	2002	2003 ¹	2004	2005	2006 ²	2007	2008	2009	2010	2011
General Fund										
Nonspendable	\$ 169,590	\$ 1,166,865	\$ 380,822	\$ 237,254	\$ 234,258	\$ 280,356	\$ 331,008	\$ 228,185	\$ 298,407	\$ 333,204
Committed	-	-	-	-	-	-	1,000,484	1,014,267	1,016,957	1,018,773
Assigned	1,178,376	610,637	969,322	610,637	-	-	-	-	-	-
Unassigned	8,026,802	5,367,989	6,151,207	6,559,816	7,993,371	12,020,360	15,028,838	14,920,600	15,089,878	15,849,624
Subtotal General Fund	9,374,768	7,145,491	7,501,351	7,407,707	8,227,629	12,300,716	16,360,330	16,163,052	16,405,242	17,201,601
General Fund Percentage Change	4.9%	-23.8%	5.0%	-1.2%	11.1%	49.5%	33.0%	-1.2%	1.5%	4.9%
All Other Governmental Funds										
Nonspendable:										
Special Revenue Funds	-	168,242	172,870	-	-	11,243	11,243	11,243	11,243	11,243
Restricted:										
Special Revenue Funds	818,567	874,851	1,078,782	1,564,660	1,821,781	2,005,950	2,328,843	2,528,129	3,059,046	3,336,760
Capital Projects Fund	7,965,664	15,861,400	17,064,756	15,003,566	34,598,337	32,620,139	20,902,246	13,911,846	12,995,267	11,729,532
Assigned										
Special Revenue Funds	276	24,467	22,385	24,467	-	-	-	-	-	-
Capital Projects Fund	9,689	34,265	-	-	-	-	-	-	-	-
Subtotal All Other										
Governmental Funds	8,794,196	16,963,225	18,338,793	16,592,693	36,420,118	34,637,332	23,242,332	16,451,218	16,065,556	15,077,535
Total Governmental Funds										
Nonspendable	169,590	1,335,107	553,692	237,254	234,258	291,599	342,251	239,428	309,650	344,447
Restricted	8,784,231	16,736,251	18,143,538	16,568,226	36,420,118	34,626,089	23,231,089	16,439,975	16,054,313	15,066,292
Committed	-	-	-	-	-	-	1,000,484	1,014,267	1,016,957	1,018,773
Assigned	1,188,341	669,369	991,707	635,104	-	-	-	-	-	-
Unassigned	8,026,802	5,367,989	6,151,207	6,559,816	7,993,371	12,020,360	15,028,838	14,920,600	15,089,878	15,849,624
Total Governmental Funds	\$ 18,168,964	\$ 24,108,716	\$ 25,840,144	\$ 24,000,400	\$ 44,647,747	\$ 46,938,048	\$ 39,602,662	\$ 32,614,270	\$ 32,470,798	\$ 32,279,136
All Governmental Funds										
Percentage Change	16.5%	32.7%	7.2%	-7.1%	86.0%	5.1%	-15.6%	-17.6%	-0.4%	-0.6%

Notes:

¹ Gordon County entered into a \$7,300,000 capital lease agreement for the purpose of constructing recreational facilities at Sonoraville and Salacoa park.

² Gordon County entered into a \$22,305,000 certificate of participation agreement for the purpose of constructing a new judicial complex and fire station.

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



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

Amounts													
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property	Less: Tax Exempt Property	Total Taxable Assessed Value ¹	Total Direct Tax Rate ²	Estimated Actual Value	Annual Percentage Change
2002	\$ 417,690,056	\$ 195,469,395	\$ 288,085,202	\$ 68,800,318	\$ 40,969,436	\$ 30,821,337	\$ 122,201,115	\$ 7,378,686	\$ 51,593,835	\$ 1,119,821,710	5.030	\$ 2,799,554,275	8.1%
2003	471,210,618	196,702,696	278,200,092	82,174,784	64,979,644	35,130,246	128,612,640	9,581,702	75,096,846	1,191,495,576	4.830	2,978,738,940	6.4%
2004	499,356,103	214,544,350	276,291,379	78,116,031	73,991,893	34,124,627	131,433,508	8,585,787	83,475,034	1,232,968,644	5.540	3,082,421,610	3.5%
2005	526,124,675	222,444,202	285,162,625	92,387,199	94,195,480	35,462,615	125,339,691	7,877,870	102,332,858	1,286,661,499	7.570	3,216,653,748	4.4%
2006	557,104,104	245,473,587	302,716,558	110,084,917	99,782,243	31,834,311	132,977,332	7,370,507	135,961,314	1,351,382,245	7.570	3,378,455,613	5.0%
2007	593,292,072	282,099,758	319,730,482	116,568,870	106,909,971	34,565,238	126,230,411	7,410,965	136,839,066	1,449,968,701	10.671	3,624,921,753	7.3%
2008	663,497,362	350,392,522	341,796,467	130,083,834	144,436,458	33,840,118	131,895,052	7,648,249	198,608,024	1,604,982,038	10.174	4,012,455,095	10.7%
2009	690,766,748	385,645,458	440,818,077	129,683,324	153,641,019	36,873,153	135,972,834	7,878,685	212,834,755	1,768,444,543	9.528	4,421,111,358	10.2%
2010	826,895,768	405,765,045	402,251,234	177,960,314	215,132,430	36,929,021	142,776,960	11,389,874	274,128,832	1,944,971,814	8.815	4,862,429,535	10.0%
2011	798,685,172	424,946,353	332,079,493	167,104,713	221,040,162	36,919,005	126,788,530	11,673,669	272,489,971	1,846,747,126	8.919	4,616,867,815	-5.1%
% Increase Over Ten Years	91%	117%	15%	143%	440%	20%	4%	58%	428%	65%		65%	
Percentages of Total													
2002	35.7%	16.7%	24.6%	5.9%	3.5%	2.6%	10.4%	0.6%	4.6%	95.4%			
2003	37.2%	15.5%	22.0%	6.5%	5.1%	2.8%	10.2%	0.8%	6.3%	93.7%			
2004	37.9%	16.3%	21.0%	5.9%	5.6%	2.6%	10.0%	0.7%	6.8%	93.2%			
2005	37.9%	16.0%	20.5%	6.7%	6.8%	2.6%	9.0%	0.6%	8.0%	92.0%			
2006	37.5%	16.5%	20.4%	7.4%	6.7%	2.1%	8.9%	0.5%	10.1%	89.9%			
2007	37.4%	17.8%	20.1%	7.3%	6.7%	2.2%	8.0%	0.5%	9.4%	90.6%			
2008	36.8%	19.4%	19.0%	7.2%	8.0%	1.9%	7.3%	0.4%	12.4%	87.6%			
2009	34.9%	19.5%	22.2%	6.5%	7.8%	1.9%	6.9%	0.4%	12.0%	88.0%			
2010	37.3%	18.3%	18.1%	8.0%	9.7%	1.7%	6.4%	0.5%	14.1%	85.9%			
2011	37.7%	20.1%	15.7%	7.9%	10.4%	1.7%	6.0%	0.6%	14.8%	85.2%			

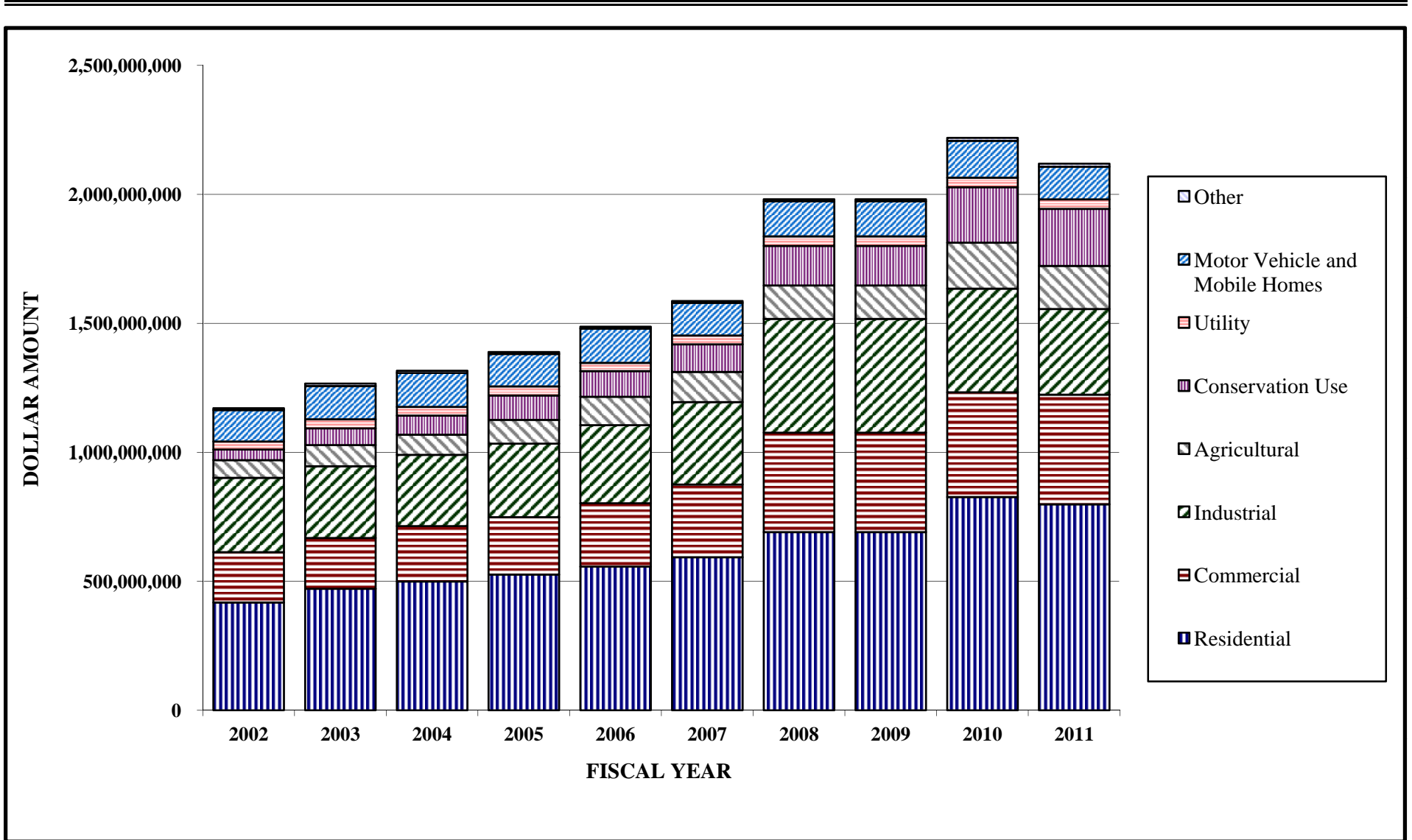
Source:

¹ Georgia Department of Revenue, Tax Digest Consolidation Summary

Notes:

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

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)

<u>Fiscal Year</u>	<u>Direct</u>	<u>Overlapping</u>	<u>Underlying Rates</u> ¹				
	<u>County Rate</u>	<u>State of Georgia</u> ²	<u>City of Calhoun</u>	<u>City of Calhoun Schools</u> ³	<u>City of Fairmont</u>	<u>City of Plainville</u>	<u>Gordon County Schools</u>
2002	5.030	0.250	1.580	14.450	5.880	6.940	16.200
2003	4.830	0.250	1.570	14.570	5.880	6.940	15.140
2004	5.540	0.250	1.540	14.710	5.880	6.940	16.850
2005	7.570	0.250	1.500	14.950	5.880	6.940	16.580
2006	7.570	0.250	1.750	13.660	5.880	6.940	16.580
2007	10.671	0.250	1.670	14.580	5.880	6.940	16.302
2008	10.174	0.250	1.615	14.080	5.880	6.940	16.302
2009	9.528	0.250	1.615	14.080	5.880	6.940	17.500
2010	8.815	0.250	1.591	13.865	5.093	6.940	15.266
2011	8.919	0.250	1.591	13.865	5.000	5.500	15.611

Source:

¹ Georgia Department of Revenue, Property Tax Division

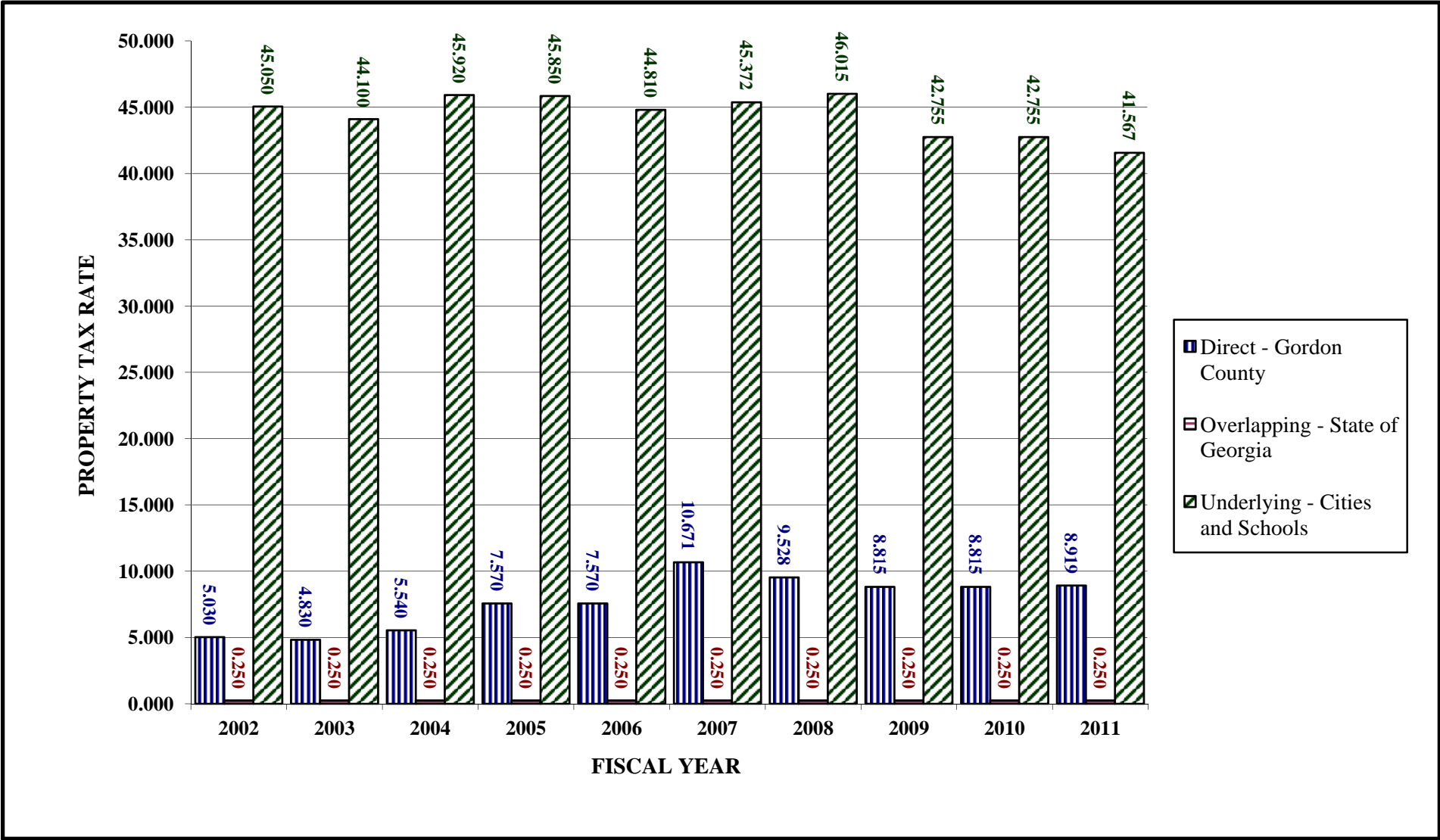
Notes:

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

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

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
2002	\$ 5,632,703	\$ 5,215,320	92.59%	\$ 397,658	\$ 5,612,978	99.65%	\$ 19,725	0.35%
2003	5,754,924	5,332,513	92.66%	406,977	5,739,490	99.73%	15,434	0.27%
2004	6,830,646	6,370,944	93.27%	435,063	6,806,007	99.64%	24,639	0.36%
2005	9,740,028	9,146,860	93.91%	545,782	9,692,642	99.51%	47,386	0.49%
2006	10,229,964	9,440,250	92.28%	730,153	10,170,403	99.42%	59,561	0.58%
2007	15,472,616	13,971,873	90.30%	1,355,924	15,327,797	99.06%	144,819	0.94%
2008	16,329,087	14,620,762	89.54%	1,431,121	16,051,883	98.30%	277,204	1.70%
2009	16,849,740	14,430,613	85.64%	1,983,435	16,414,048	97.41%	435,692	2.59%
2010	17,144,927	14,667,995	85.55%	1,776,184	16,444,179	95.91%	700,748	4.09%
2011	16,471,138	14,441,595	87.68%	-	14,441,595	87.68%	2,029,543	12.32%

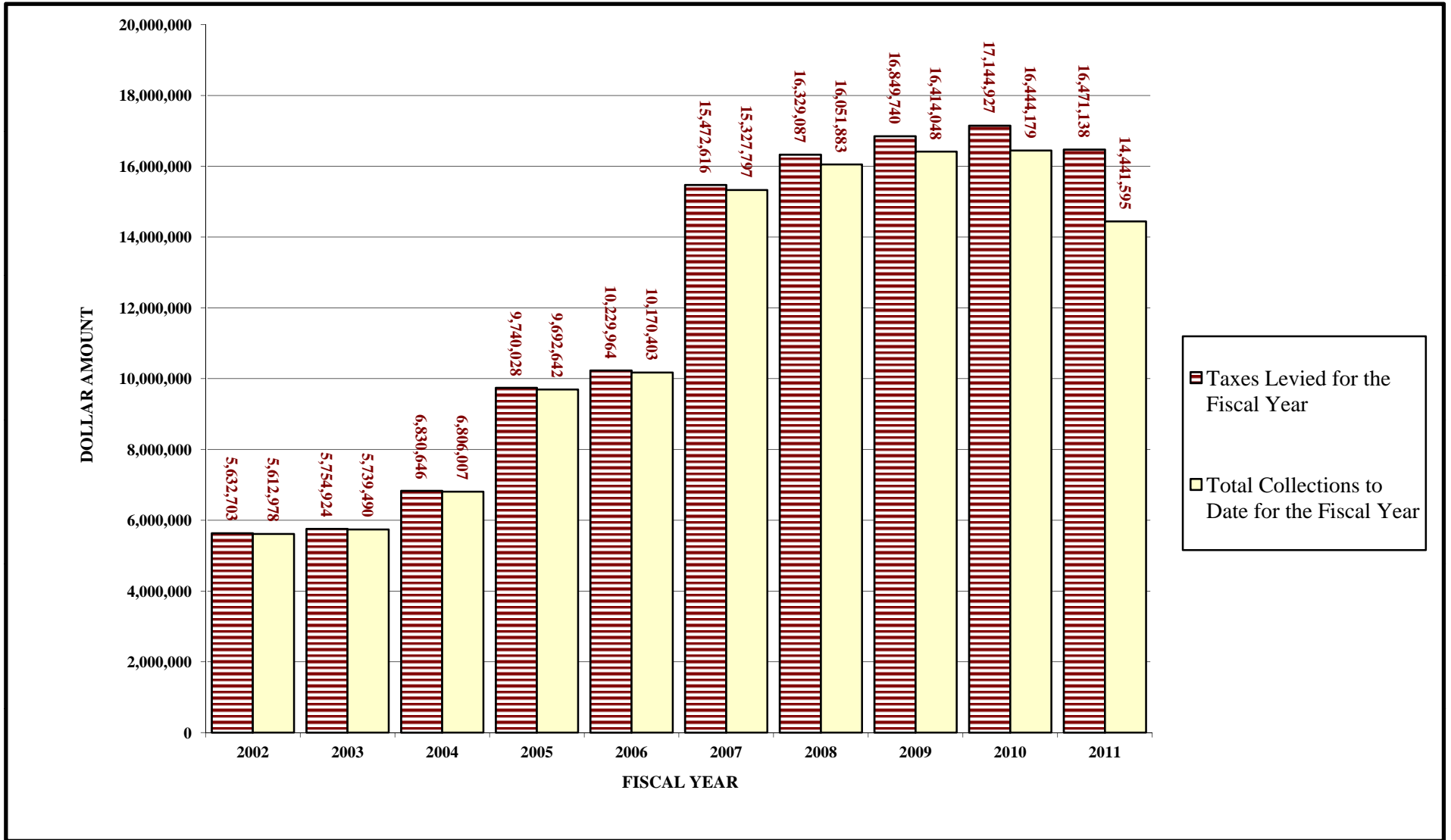
Source:

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, 2011 and 2002

Principal Taxpayer	2011			2002			
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Shaw Industries Group Inc	\$ 66,120,112	1	3.86%	The Dixie Group	\$ 48,903,710	1	4.37%
Aladdin Manufacturing Group	41,276,356	2	2.41%	Aladdin Manufacturing Corp	37,446,626	2	3.34%
Kobelco Construction	29,482,170	3	1.72%	Mannington Carpets	21,065,778	3	1.88%
Springbank LLC	21,536,828	4	1.26%	Kobelco America Inc	17,635,039	4	1.57%
Faus Group Inc	20,875,177	5	1.22%	Mohawk Industries	14,144,314	5	1.26%
Mohawk Industries	20,364,384	6	1.19%	American Weavers	11,040,010	6	0.99%
Mannington Commercial	12,989,416	7	0.76%	Dixie Yarns, Inc.	10,306,188	7	0.92%
Fieldturf USA	12,077,189	8	0.71%	Prime Outlets at Calhoun	9,585,228	8	0.86%
North Georgia EMC	11,084,080	9	0.65%	J.M. Huber Corp	8,905,354	9	0.80%
Pine Hall Brick Inc.	10,771,550	10	0.63%	Shaw Industries Inc.	8,212,814	10	0.73%
Total Principal Taxpayers	246,577,262		14.41%		187,245,061		16.72%
All Other Taxpayers	1,464,446,088		85.59%		932,576,649		83.28%
Total	\$ 1,711,023,350		100.00%		\$ 1,119,821,710		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 Direct, Overlapping and Underlying Rate
	Gordon County		State of	Gordon County	
	LOST	SPLOST¹	Georgia	Schools²	
2002	1.00%	1.00%	4.00%	1.00%	7.00%
2003	1.00%	1.00%	4.00%	1.00%	7.00%
2004	1.00%	1.00%	4.00%	1.00%	7.00%
2005	1.00%	1.00%	4.00%	1.00%	7.00%
2006	1.00%	1.00%	4.00%	1.00%	7.00%
2007	1.00%	1.00%	4.00%	1.00%	7.00%
2008	1.00%	1.00%	4.00%	1.00%	7.00%
2009	1.00%	1.00%	4.00%	1.00%	7.00%
2010	1.00%	1.00%	4.00%	1.00%	7.00%
2011	1.00%	1.00%	4.00%	1.00%	7.00%

Source:

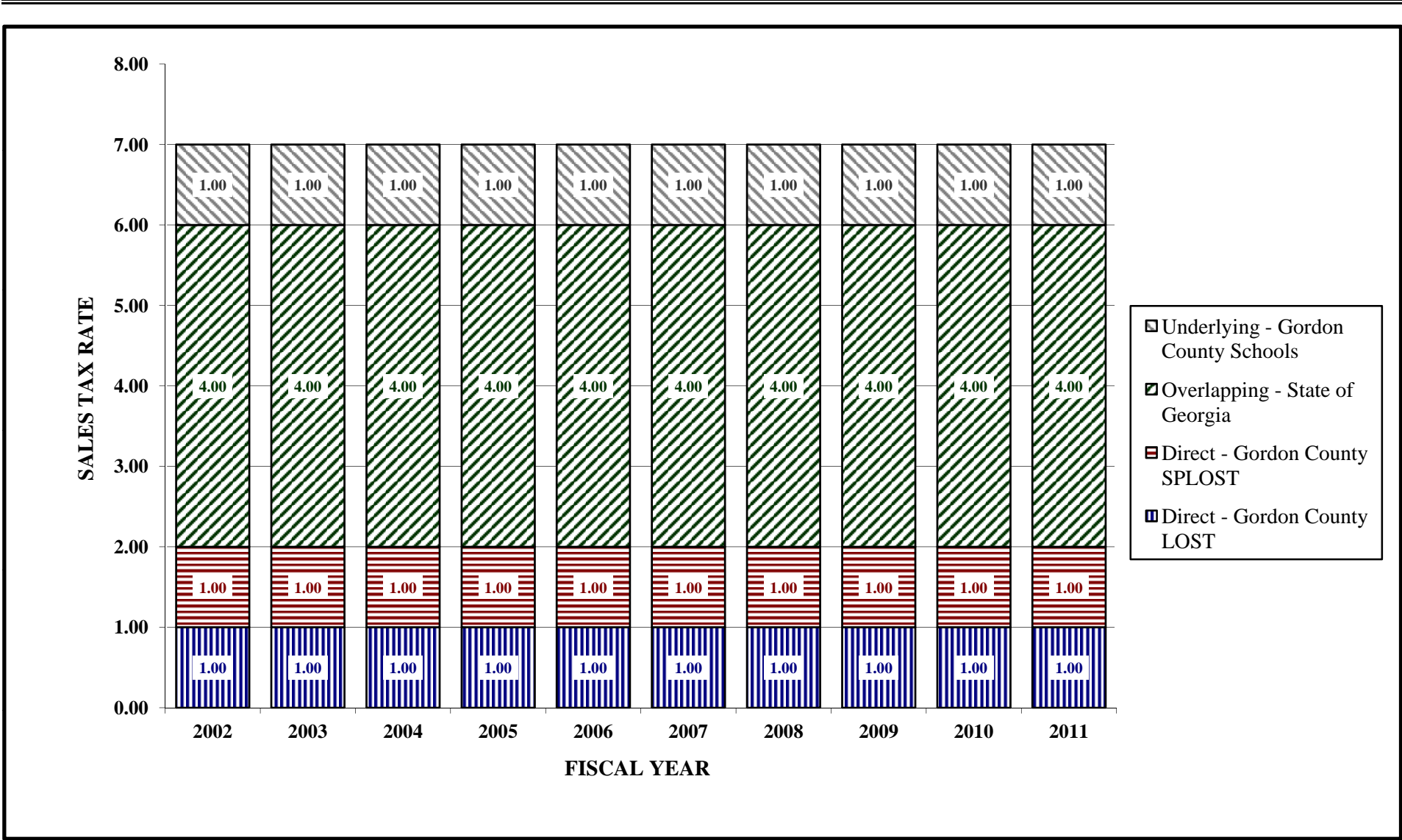
¹ Georgia Department of Revenue, Sales and Use Tax Division.

Notes:

¹ The previous special purpose local option sales tax was approved effective April 1, 2001 and expired March 31, 2006. The current special purpose local option sales tax was approved effective April 1, 2006 and expires 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, 2007 and expires June 30, 2012.

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



Gordon County, Georgia
Taxable Sales by Category
Calendar Year

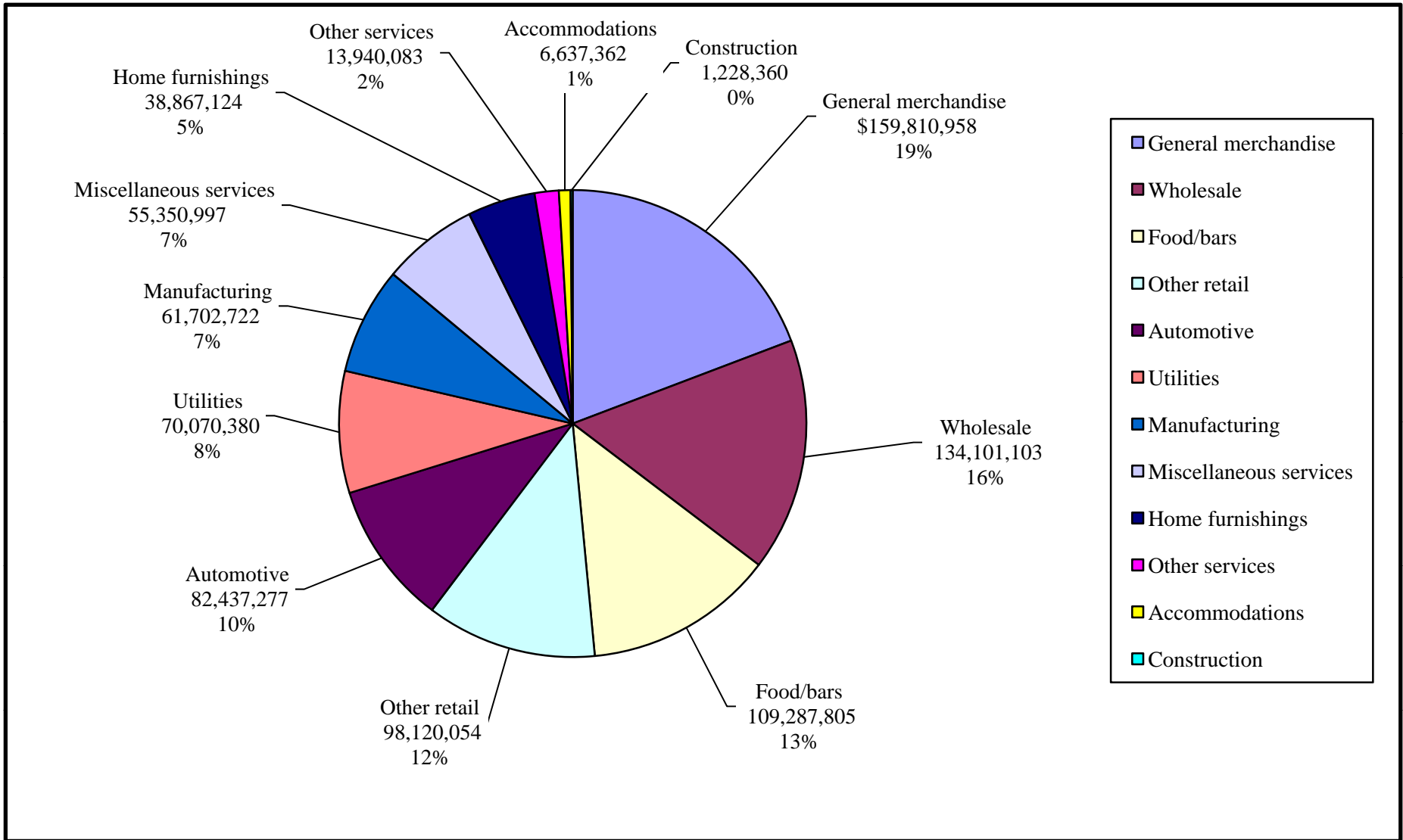
	2004		2005		2006		2007		2008		2009		2010		
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	
Category:															
NAICS codes															
General merchandise											\$ 165,009,085	20.23%	\$ 159,810,958	19.21%	
Wholesale											74,397,977	9.12%	134,101,103	16.13%	
Food/bars											114,968,896	14.09%	109,287,805	13.14%	
Other retail											85,951,003	10.54%	98,120,054	11.80%	
Automotive											61,769,180	7.57%	82,437,277	9.91%	
Utilities											89,024,099	10.91%	70,070,380	8.43%	
Manufacturing											106,428,249	13.05%	61,702,722	7.42%	
Miscellaneous services											46,749,549	5.73%	55,350,997	6.66%	
Home furnishings											51,269,676	6.28%	38,867,124	4.67%	
Other services											10,967,548	1.34%	13,940,083	1.68%	
Accommodations											8,134,834	1.00%	6,637,362	0.80%	
Construction											1,157,038	0.14%	1,228,360	0.15%	
SIC codes															
Food	\$ 202,336,294	26.84%	\$ 229,479,330	28.09%	\$ 263,668,725	28.24%	\$ 266,367,180	28.87%	\$ 248,033,221	26.46%					
General	127,184,616	16.86%	119,028,388	14.57%	130,658,021	13.99%	133,137,354	14.43%	128,337,853	13.69%					
Automotive	105,727,771	14.01%	103,784,171	12.70%	125,588,081	13.45%	127,872,364	13.86%	181,476,183	19.36%					
Utilities	81,059,723	10.74%	85,379,904	10.45%	102,568,352	10.98%	101,143,479	10.96%	104,754,382	11.18%					
Home	49,214,233	6.52%	56,428,268	6.91%	72,328,857	7.75%	71,209,452	7.72%	56,555,421	6.03%					
Lumber	60,901,578	8.07%	77,460,636	9.48%	68,947,268	7.38%	61,643,192	6.68%	36,407,673	3.88%					
Miscellaneous	41,742,067	5.53%	49,635,004	6.07%	54,119,166	5.80%	48,488,363	5.25%	49,024,559	5.24%					
Apparel	29,374,697	3.89%	39,012,999	4.77%	41,906,426	4.49%	41,698,856	4.52%	44,186,632	4.71%					
Manufacturing	25,800,415	3.42%	25,187,736	3.08%	37,578,602	4.02%	34,536,234	3.74%	37,229,008	3.97%					
Miscellaneous	31,061,956	4.12%	31,738,678	3.88%	36,392,180	3.90%	36,628,897	3.97%	51,318,460	5.48%					
Total	\$ 754,403,350	100.00%	\$ 817,135,114	100.00%	\$ 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%	
Dollar increase from previous year			\$ 62,731,764		\$ 116,620,564		\$ (11,030,307)		\$ 14,598,021		\$ (121,496,258)		\$ 15,727,091		
Percent increase from previous year			8.32%		14.27%		-1.18%		1.58%		-12.96%		1.93%		

Source: Georgia Department of Revenue

Note: Information prior to calendar year 2004 is not available.

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 - 2010



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			
2002	\$ 4,480,230	\$ -	\$ 4,480,230	0.41%	46,707	¹ \$ 96
2003	10,500,981	-	10,500,981	0.92%	47,800	¹ 220
2004	9,254,600	-	9,254,600	0.76%	49,018	¹ 189
2005	6,848,049	1,145,372	7,993,421	0.63%	50,227	¹ 159
2006	27,017,131	-	27,017,131	2.04%	51,419	¹ 525
2007	23,935,673	-	23,935,673	1.73%	52,044	¹ 460
2008	32,436,161	-	32,436,161	2.30%	52,800	¹ 614
2009	28,544,617	-	28,544,617	2.04%	53,292	¹ 536
2010	23,986,004	-	23,986,004	1.74%	55,186	¹ 435
2011	19,409,670	-	19,409,670	1.38%	55,925	² 347

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, 2011

<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 Debt³			
Gordon County Board of Education ¹	\$ 10,585,000	100.0%	\$ 10,585,000
City of Calhoun ²	13,553,900	100.0%	<u>13,553,900</u>
Total Overlapping Debt			<u>24,138,900</u>
County Direct Debt			
Debt repaid with property taxes	11,909,670	100.0%	11,909,670
Debt repaid with sales taxes	7,500,000	100.0%	<u>7,500,000</u>
Total County Direct Debt			<u>19,409,670</u>
Total Direct and Overlapping Debt			<u><u>\$ 43,548,570</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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed Value-Bond Digest	<u>\$ 1,171,415,545</u>	<u>\$ 1,266,592,422</u>	<u>\$ 1,316,443,678</u>	<u>\$ 1,388,994,357</u>	<u>\$ 1,487,343,559</u>	<u>\$ 1,586,807,767</u>	<u>\$ 1,803,590,062</u>	<u>\$ 1,981,279,298</u>	<u>\$ 2,219,100,646</u>	<u>\$ 2,119,237,097</u>
Legal Debt Margin										
Debt limit (10% of assessed value)	<u>\$ 117,141,555</u>	<u>\$ 126,659,242</u>	<u>\$ 131,644,368</u>	<u>\$ 138,899,436</u>	<u>\$ 148,734,356</u>	<u>\$ 158,680,777</u>	<u>\$ 180,359,006</u>	<u>\$ 198,127,930</u>	<u>\$ 221,910,065</u>	<u>\$ 211,923,710</u>
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 117,141,555</u>	<u>\$ 126,659,242</u>	<u>\$ 131,644,368</u>	<u>\$ 138,899,436</u>	<u>\$ 148,734,356</u>	<u>\$ 158,680,777</u>	<u>\$ 180,359,006</u>	<u>\$ 198,127,930</u>	<u>\$ 221,910,065</u>	<u>\$ 211,923,710</u>
As a percentage of debt limit	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Note:
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
2002	46,707 ¹	\$ 1,088,850 ²	\$ 23,382 ²	33.6 ¹	5,845 ³	4.9% ⁴
2003	47,800 ¹	1,137,453 ²	23,921 ²	33.9 ¹	6,259 ³	4.7% ⁴
2004	49,018 ¹	1,215,169 ²	24,976 ²	34.0 ¹	6,491 ³	4.3% ⁴
2005	50,227 ¹	1,274,570 ²	25,693 ²	34.2 ¹	6,645 ³	5.4% ⁴
2006	51,419 ¹	1,323,468 ²	25,986 ²	34.4 ¹	6,829 ³	4.7% ⁴
2007	52,044 ¹	1,381,688 ²	26,568 ²	34.5 ¹	6,815 ³	4.4% ⁴
2008	52,800 ¹	1,411,110 ²	26,643 ²	34.6 ¹	6,870 ³	6.8% ⁴
2009	53,292 ¹	1,396,694 ²	26,208 ²	34.7 ¹	7,012 ³	13.6% ⁴⁻⁶
2010	55,186 ¹	1,380,453 ⁵	25,015 ⁵	34.9 ⁵	6,815 ³	12.6% ⁴
2011	55,925 ⁵	1,406,514 ⁵	25,150 ⁵	35.1 ⁵	6,924 ³	11.7% ⁴

Sources:

¹U.S. Census Bureau

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

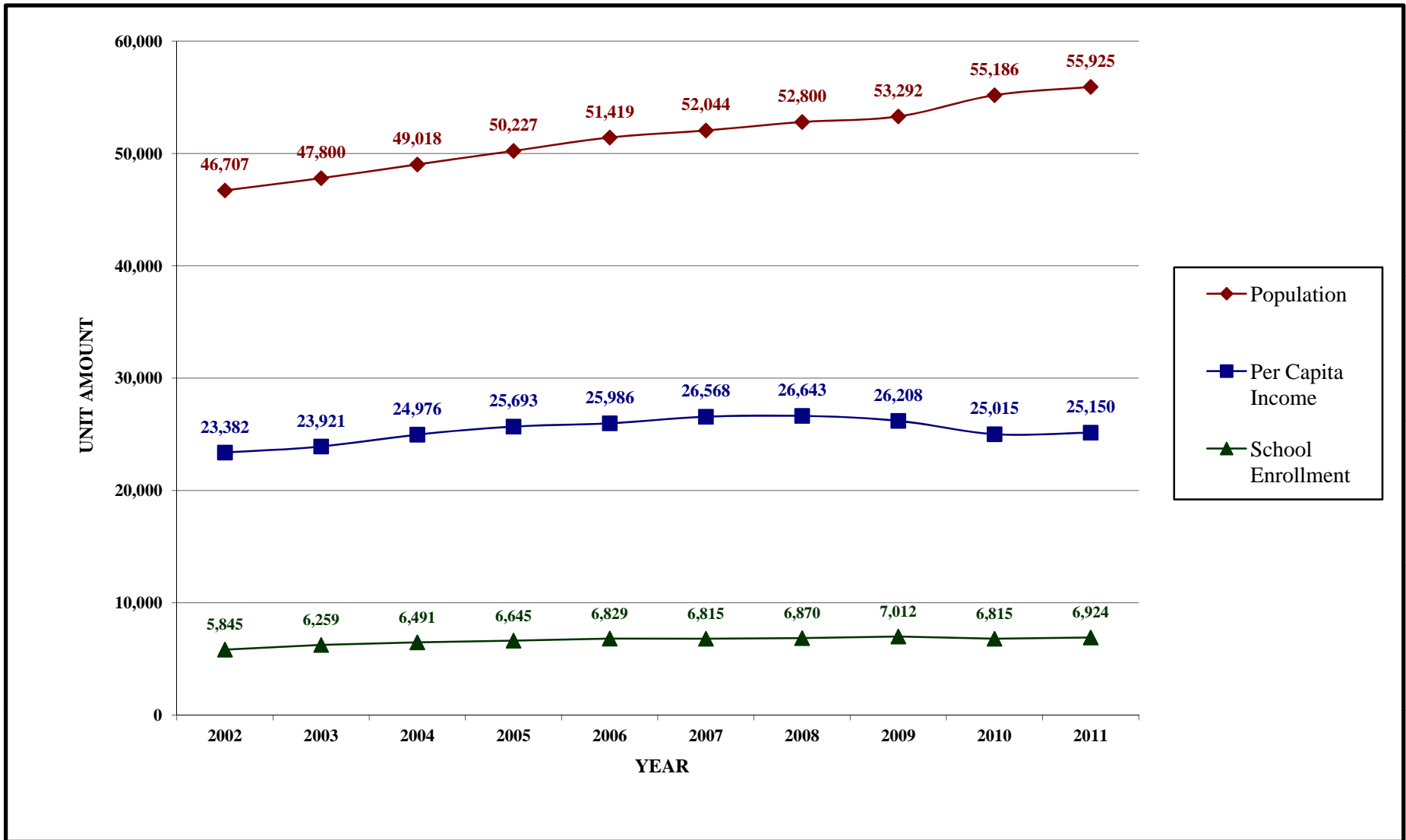
³Gordon County Board of Education

⁴Georgia Department of Labor

⁵Trend analysis

⁶This 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, 2011 and 2001

<u>Employer</u>	<u>2011</u>			<u>Employer</u>	<u>2001</u>		
	<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	2,248	1	8.86%	Mohawk Industries	3,250	1	13.64%
Shaw Industries	1,482	2	5.84%	Dixie Yarn	1,400	2	5.88%
Gordon County Schools	950	3	3.74%	Gordon County Schools	875	3	3.67%
Gordon Hospital	600	4	2.36%	Mannington Carpets	675	4	2.83%
Mannington	520	5	2.05%	Shaw Industries	609	5	2.56%
Engineered Textile Products	500	6	1.97%	Georgia Corporation	430	6	1.80%
Gordon County Government	407	7	1.60%	Spring Industries	413	7	1.73%
Calhoun City Schools	400	8	1.58%	Calhoun City Schools	350	8	1.47%
Apache Mills	360	9	1.42%	Apache Mills	330	9	1.39%
Calhoun City Government	265	10	1.04%	Gordon County Government	319	10	1.34%
Total Principal Employers	7,732		30.46%	Total Principal Employers	8,651		36.31%
Other Employers	17,652		69.54%	Other Employers	15,172		63.69%
Total Employment	<u>25,384</u>		<u>100.00%</u>	Total Employment	<u>23,823</u>		<u>100.00%</u>

Sources:

¹ Gordon County Chamber of Commerce

² Georgia Department of Labor

Note:

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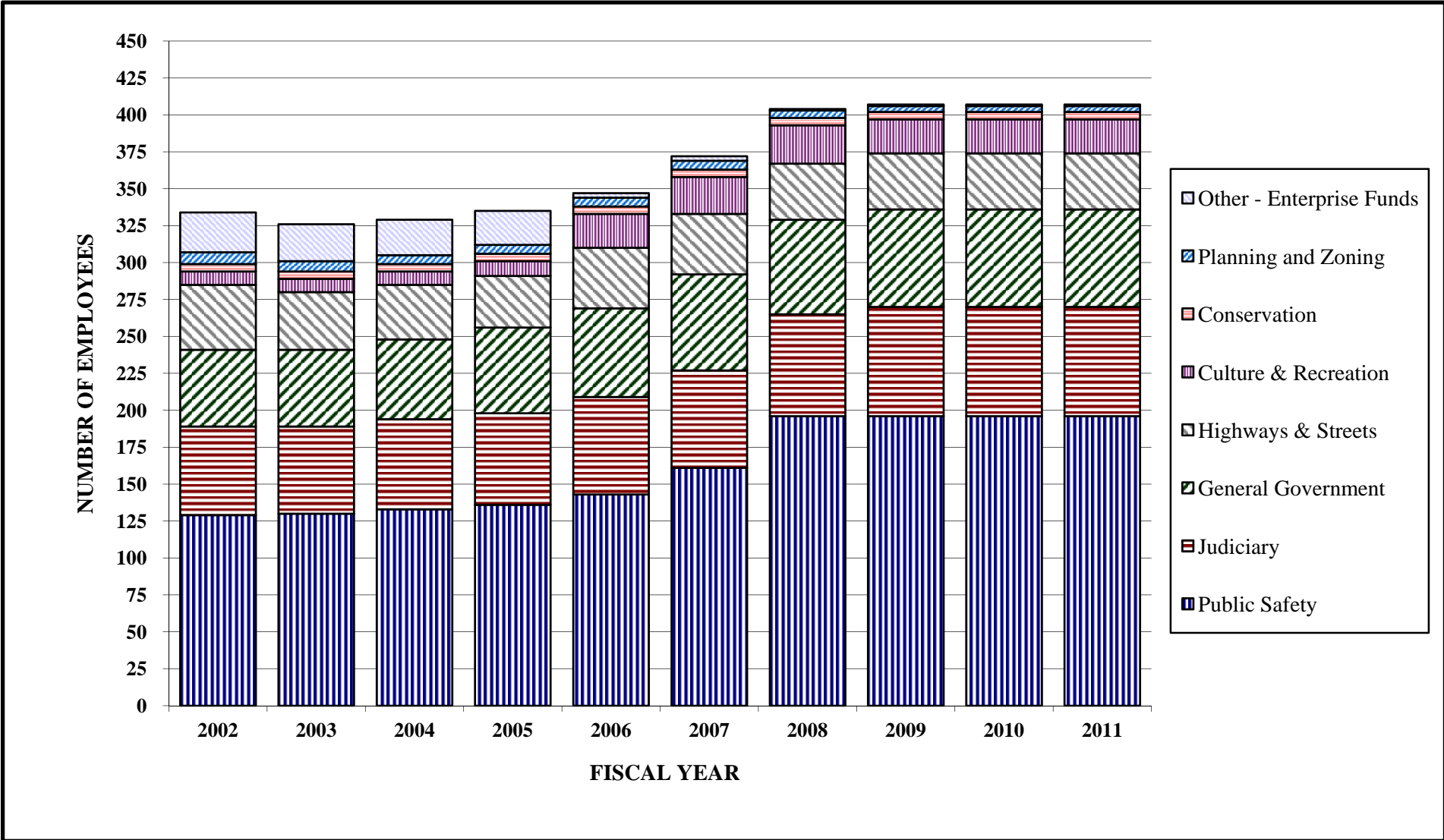
Gordon County, Georgia
County Employees by Function/Program
Last Ten Fiscal Years

<u>Function/program</u>	Fiscal Year Ended June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Board of Commissioners	5	5	5	5	5	5	5	5	5	5
County Attorney	1	1	1	1	1	1	1	1	1	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	6	6	6	7	7	7	7	7	7	7
Information Technology	1	1	1	2	3	3	3	3	3	3
GIS	-	-	-	-	-	1	1	1	1	1
Administration	2	2	2	2	2	3	4	4	4	4
Voter Registration	2	2	2	2	2	2	2	2	2	2
Tax Commissioner	15	15	16	16	16	16	16	15	15	15
Tax Assessor	9	9	9	11	11	11	11	11	13	13
Buildings and Grounds	2	2	3	3	4	6	6	5	5	5
Fleet Management	6	6	6	6	6	7	7	7	7	7
Total General Government	52	52	54	58	60	65	66	64	66	66
Judiciary										
Victim Advocacy	2	2	2	2	3	2	2	2	2	2
Probate Court	4	4	4	5	5	5	5	5	5	5
Juvenile Court	6	5	7	7	7	7	7	7	7	7
Superior Court	16	16	16	16	20	20	20	22	26	26
Magistrate Court	10	10	10	10	10	10	10	10	10	10
Clerk of Superior Court	11	11	11	11	10	10	10	11	12	12
District Attorney	11	11	11	11	11	12	12	12	12	12
Total Courts	60	59	61	62	66	66	66	69	74	74
Public Safety										
Sheriff's Department	43	44	45	48	49	50	50	67	71	73
Jail	31	30	30	32	37	37	46	54	50	48
Emergency Management	2	2	2	2	2	2	2	2	2	2
Animal Control	3	2	2	2	2	4	4	4	4	4
Coroner	2	2	2	2	2	2	3	3	3	3
Fire Department	30	29	29	29	29	44	44	44	44	44
E-911	18	21	23	21	22	22	22	22	22	22
Total Public Safety	129	130	133	136	143	161	171	196	196	196
Highway & Streets										
Public Works	44	39	37	35	41	41	38	38	38	38
Total Highway & Streets	44	39	37	35	41	41	38	38	38	38
Culture & Recreation										
Senior Center	2	2	2	2	2	2	2	2	2	2
Salacoa Creek Park	1	1	1	2	9	10	10	10	8	8
Recreation Department	6	6	6	6	12	13	13	14	13	13
Total Culture & Recreation	9	9	9	10	23	25	25	26	23	23
Conservation										
County Extension Service	5	5	5	5	5	5	5	5	5	5
Soil & Erosion	-	-	-	-	-	-	-	-	-	-
Total Conservation	5	5	5	5	5	5	5	5	5	5
Planning & Zoning										
Building, Planning, and Development	6	6	5	5	5	5	6	5	4	4
Ordinance Enforcement	2	1	1	1	1	1	1	-	-	-
Total Planning & Zoning	8	7	6	6	6	6	7	5	4	4
Chert Mine										
Chert Mine	3	3	3	3	3	3	1	1	1	1
Total Chert Mine	3	3	3	3	3	3	1	1	1	1
Solid Waste Management										
Solid Waste Management	11	10	10	10	-	-	-	-	-	-
Compactor Sites	8	8	7	8	-	-	-	-	-	-
Recycling	5	4	4	2	-	-	-	-	-	-
Total Solid Waste Management	24	22	21	20	-	-	-	-	-	-
Total	334	326	329	335	347	372	379	404	407	407

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

Function/program	Fiscal Year Ended June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fire										
Emergency responses	3,234	3,233	3,415	3,217	2,945	3,482	2,912	2,960	2,900	2,817
Fires extinguished	624	720	861	808	967	908	600	547	437	546
Inspections	1,058	569	618	713	1,234	1,188	864	1,836	1,029	883
Refuse collection										
Refuse collected (tons per day)	266.0	172.8	148.6	133.4	141.8	730.5	874.3	740.16	656.4	604.68
Recyclables collected (tons per day)	5.19	6.77	6.70	7.01	6.67	6.55	10.62	8.39	9.93	31.65
Streets and highways										
Resurfacing (miles)	35.73	43.41	49.35	40.55	47.83	43.96	20.75	32.36	27	41.15
Library										
Volumes in collection	59,677	61,783	66,766	72,667	72,000	84,635	84,635	89,525	90,839	95,796
Total volumes borrowed	56,997	69,188	76,366	78,003	103,704	106,655	128,391	117,408	141,757	129,169

Source:

¹ Various County Departments.

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

<u>Function/program</u>	<u>Fiscal Year Ended June 30,</u>									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
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)	603	528	549	550	562	547	542	559	558.78	558.78
Traffic signals	1	1	1	1	-	-	-	-	-	-
Parks and recreation										
Acreage	445	445	445	445	445	445	445	445	445	445

Source:

¹ Various County Departments.

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