CHEROKEE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2010

Prepared by:
Finance Department

Cherokee County Finance Department
1130 Bluffs Parkway – Canton, Georgia 30114

CHEROKEE COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010

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I. INTRODUCTORY SECTION

June 30, 2011

The Honorable, Leavitt B. Ahrens, Jr., Commission Chairman
Members of the Cherokee County Board of Commissioners
And the Citizens of Cherokee County

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of Cherokee County, Georgia, for the fiscal year ended December 31, 2010, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with County management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of Cherokee County. The report has been prepared in accordance with generally accepted accounting principles. All disclosures necessary to enable an interested reader to gain an understanding of the government's financial activities have been included.

The County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

Cherokee County's financial statements have been audited by Mauldin & Jenkins, CPA, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Cherokee County for the fiscal year ended December 31, 2010, are free of material misstatement. 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. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Cherokee County's financial statements for the fiscal year ended December 31, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of the report.

These statements are compiled in accordance with accounting principles generally accepted in the United States of America and offer an overview of the financial position and activities of the County as a whole. Management's Discussion and Analysis can be found in the front of the report and contains additional information on Cherokee County's basic financial statements.

Cherokee County is governed by the Commission Chairman and a four member Board of Commissioners. The financial statements, schedules and statistical tables in this report include all the funds of the primary government which are directly under the control of the Board of Commissioners, as well as its component units. A component unit is a legally separate entity for which the primary government is financially accountable. Cherokee County provides services to approximately 215,000 citizens and customers. Included in these services are traditional county functions such as police and fire protection, road and traffic maintenance, parks, recreation, senior services, animal care services, emergency management, emergency medical service, transportation and courts. The Cherokee County Department of Public Health, the Cherokee Office of Economic Development, and the Sequoyah Regional Library System are all included as discretely presented component units in the County's financial statements. A discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the primary government and to differentiate its financial position, results of operations and cash flows from those of the primary government.

GENERAL INFORMATION

Cherokee County was formed in 1830 from lands previously held by the Cherokee Indians. The very name of the county honors the proud people who first settled here. Its 6,900 square miles were subsequently divided into 24 other counties. Cherokee first attracted permanent residents through a land lottery while others settled along the Etowah River and dreamed of finding gold, like their Indian predecessors. Canton, the county seat, was named after the city in China, based on the city founders attempt to establish silk production. The Canton Cotton Mills opened in 1899. Although cotton was king, the marble finishing business in the north end of the county would prove to be the county's largest revenue producer for a number of years to come. Cherokee County is 433.91 square miles in area. It is in the 6th and 9th Congressional Districts; the 37th, 51st, and 56th State Senatorial Districts; and the 15th, 16th and 17th State House Districts. There are five municipalities in Cherokee County: Canton, Ball Ground, Holly Springs, Waleska and Woodstock.

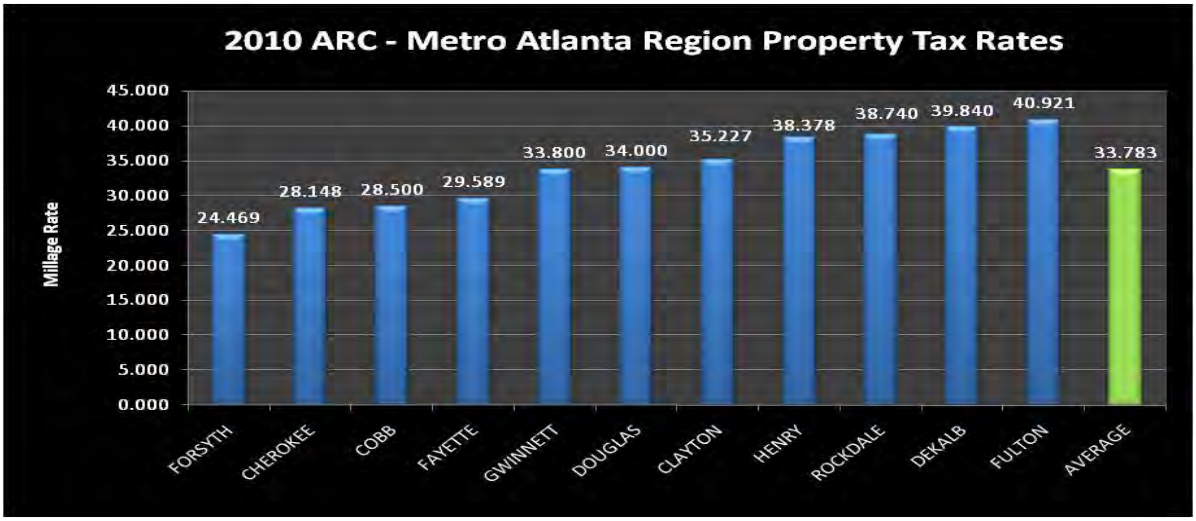
ECONOMIC CONDITION AND OUTLOOK

Tax Digest/Revenues for County Operations

Traditionally, Cherokee County has been a very high growth area where affluent individuals come to live the "rural" lifestyle. With the downturn in the economy, Cherokee County has suffered alongside the rest of the nation. The 2010 Gross M&O tax digest decreased 8.3% compared to 2009. The 2011 tax digest declined again, down 5.8% compared to 2010. To limit the risk associated with property value volatility, and to more fairly spread operating costs away from only Cherokee County property taxpayers, the county's revenue sources were already diversified. However, the poor economic climate has had an impact on virtually all revenue sources including sales taxes, impact fees, business licenses, and other charges for services. However, we anticipate a flat to minimal decrease to the tax digest in 2012, and estimate our 2012 revenues to remain neutral to 2011.

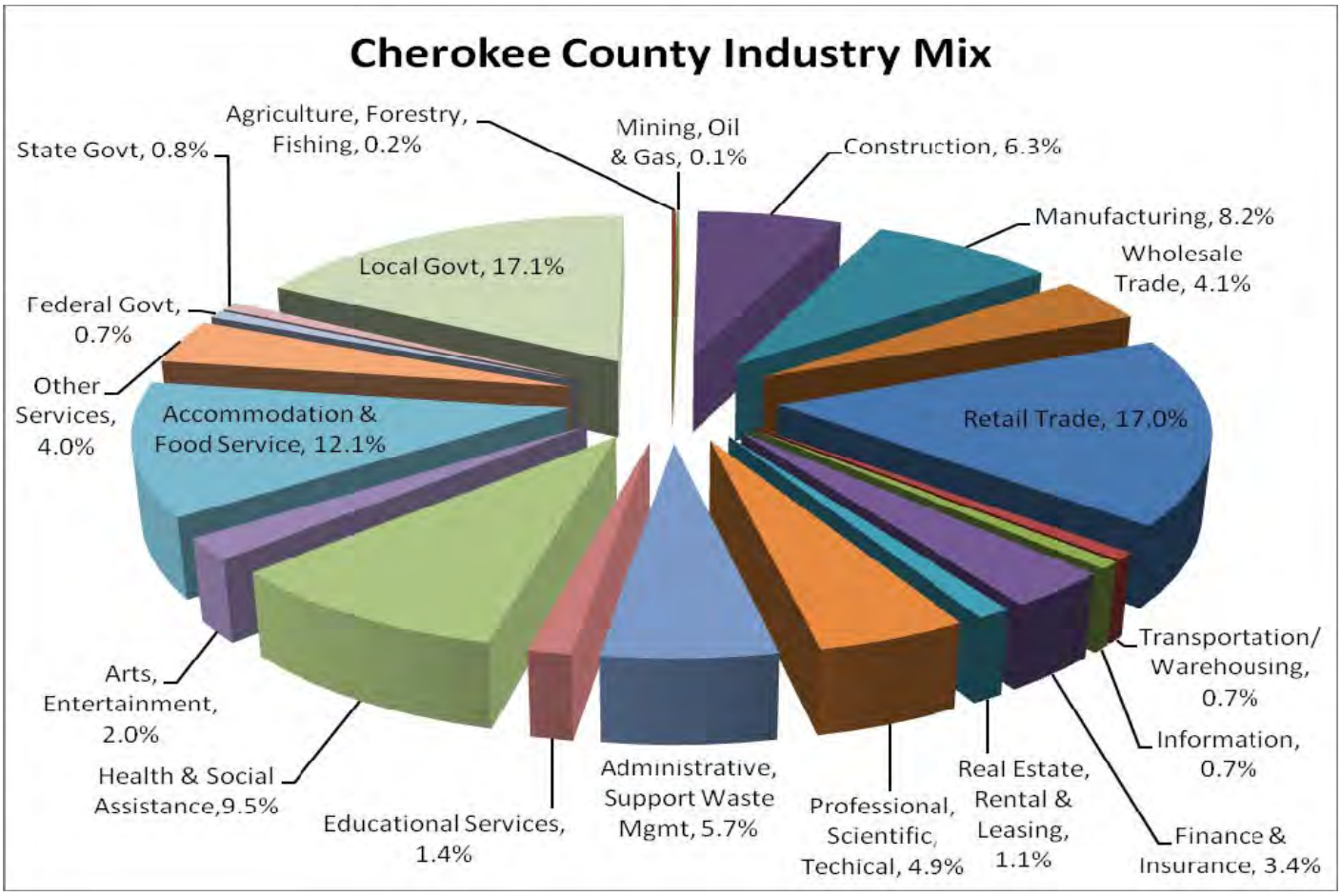
Millage Rate

The primary challenge for the County is maintaining high standards in government service, while also keeping the tax rate as low as possible. The County has made a full tax rate rollback for ten consecutive years for General Fund maintenance and operations. In 2010, the millage rate was increased .339 mills, which was just under the full rollback calculation. Even with this, Cherokee County still has the lowest tax millage rate in the entire state of Georgia at 4.720 mills. When considering total property taxes (General M&O, Fire District, Special Districts, County Bonds, School District M&O and School Bond), Cherokee County has the 29th lowest rate state-wide and the second-lowest rate in the ARC – Metro Atlanta region. Forsyth County has the "lowest property rate" in the ARC –Metro Atlanta region, but has an additional 1% sales tax, which Cherokee does not have.



Workforce

As of December 2010, the unemployment rate in Cherokee County was 8.9%, which is less than the national unemployment rate of 9.6% and Georgia's state level rate of 10.2%. In 2008 the construction industry comprised 13.9% of Cherokee County's workforce, but by 2010 this declined to only 6.3%. This is evidence of the negative impact the economic downturn has had on our community. However, since our workforce is diverse, we are fairly confident that the county will rebound from this recession as the nation does.



Development/Investment in Cherokee County

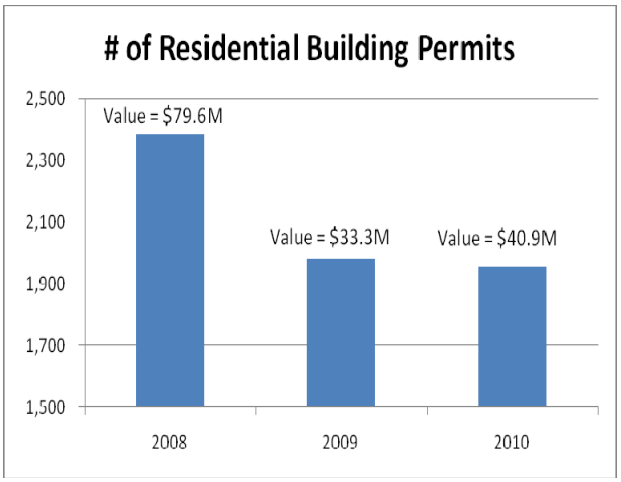
Although the number and value of 2010 building permits is less than 2008, we have seen improvement as compared to 2009.

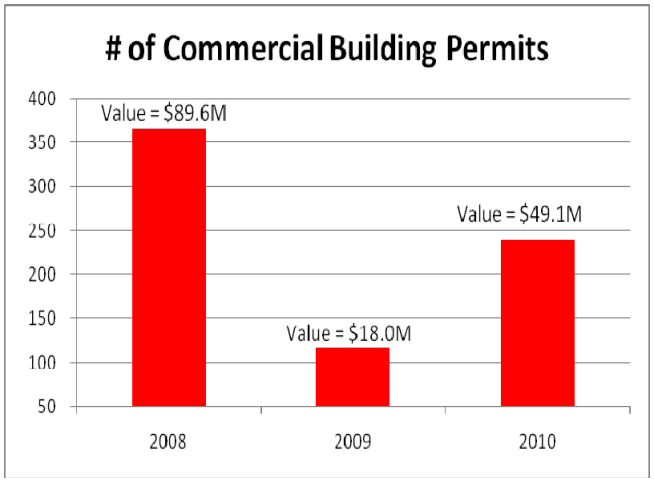
Residential Permits: While the total number of 2010 residential permits was 1.3% less than 2009, the value of the permits increased 22.8%.

- Since the number of permits decreased just slightly, we believe this signifies the drop in residential development is leveling out.
- Because the value of permits increased so considerably, even with fewer permits, this indicates more significant structures are being built, showing confidence in the local economy.

Commercial Permits: compared to 2009, the total number of commercial permits doubled, and the value nearly tripled.

- The increase in the number of permits reveals business investment is beginning to rebound.
- Just as the increased value of residential permits points to greater investment and confidence in the county, this is even more evident in the commercial sector. Significant increases in the value of commercial permits indicate new businesses are coming to Cherokee County and existing businesses are expanding. This should lead to more cash flow in the community and more job opportunities.





Recent Development Projects

At the foothills of the Blue Ridge Mountains and on the rise of the Piedmont, Cherokee County offers pristine woodlands, beautiful lakes and convenient access to metropolitan Atlanta, U.S. and world markets. There are many positive developments in the County which will bring a positive impact to our economic standing.

Airport Terminal Opens - The new terminal building opened in April 2010, and includes an expansive lobby, conference room, a lounge for pilots, and leasable office space. The terminal building was part of the $34 million expansion of the Cherokee County Airport. Other components of the expansion include extending the runway from 3,400 ft. to 5,100 ft., adding a taxiway and increasing the hangar space capacity from 100 planes to 300 planes. In addition, 100 acres of land south of the airport was purchased which will allow the runway to be extended to over 6,000 ft. in future years.

Office of Economic Development Purchases Land in SW Cherokee Corners - In 2010, the Office of Economic Development purchased 100 acres of land in the SW Cherokee Corners area on SR 92 near the I-75 interchange for the future development of an office and / or industrial park. The development of these parcels will complement the existing private investments in the area by providing a park in which a client can build to suit their particular needs. In addition, the SW Cherokee area is home to a growing work force as Centennial Lakes residential development continues to build new homes bringing new residents to SW Cherokee.

SW Cherokee Corners Opportunity Zone Approved - In April 2010, the Georgia Department of Community Affairs approved the SW Cherokee Corners Opportunity Zone. The Zone is located along SR 92 beginning at the intersection with Woodstock Road extending west to the interchange with I-75. The Opportunity Zone designation allows an employer who creates 2 new jobs to take a $3,500 job tax credit for every new job they create in the area. This incentive will greatly enhance the ability of the Office of Economic Development as a unique incentive to offer potential investors and employers to locate in Cherokee County.

County Uses Parks Bond to Lock Up Key Properties for Parks Around the County - The 2010-2014 Cherokee County Capital Improvement Plan includes funding of $93,139,550 in capital projects. Projects include property purchase, park/facility renovations, park construction and capital equipment purchase. There is $1,660,000 for personal services and $4,363,186 for operating expenses of bond projects for a total of $99,162,736. There is a $1,400,000 from SPLOST to help offset the cost of construction of the Blalock Road Soccer Complex. The major projects included in the Park Bond are the Aquatic Center, three (3) new regional parks, renovations to most existing facilities and over $15,000,000 for the cities to be divided up for park projects for all citizens. Funds have been allocated for capital equipment to retrofit existing parks and outfit new parks with the proper equipment.

Major Initiatives for the Future

Bells Ferry Livable Centers Initiative - In May of 1999, ARC adopted polices in the 25-year Regional Transportation Plan that provide $1 million per year for five years for LCI planning grants to regional communities. To back these planning studies, ARC also has $350 million available for implementation for the more innovative ideas generated from these plans. In 2005, the ARC Board approved an additional $150 million to bring the total program funds to $500 million.

Although LCI studies show an impressive range of ideas and ways to achieve livability, all demonstrate the fundamental concepts of:

- Connecting homes, shops and offices;
- Enhanced streetscaping and sidewalks;
- Emphasizing the pedestrian;
- Improving access to transit and other transportation options; and
- Expanding housing options.

Cherokee County wants to balance growth and development in the Bells Ferry Corridor by:

- Encouraging redevelopment of existing commercial properties into vibrant mixed use centers;
- Enabling the Bells Ferry area to be a life cycle community, with a variety of housing choices so residents can remain there throughout their lifetime;
- Creating an environment of mobility and opportunity within the corridor for all ages and income levels;
- Investing in the area neighborhoods by integrating civic uses and buildings into the community.

The Bells Ferry Corridor is a gateway into Cherokee County from Cobb County and connects to Towne Lake and Woodstock, areas of important private development. Despite this significance, the corridor lacks a distinct vision. Current development generally appears to be haphazard and disconnected with little regard to the character of the area. The Livable Center Initiative (LCI) Study will help residents, businesses and property owners to develop the vision for the Bells Ferry Corridor. The County anticipates the planning process surrounding the study to be the galvanizing force which will lead to significant public and private investment into this portion of Cherokee County. The resulting effect will be the transformation from an area struggling to attract quality development to a community of choice.

Cash Management

The County strives to keep abreast of current developments and procedures in cash management to insure efficient and profitable use of available cash resources. Cash is deposited in interest bearing accounts, which are insured and fully collateralized in accordance with state law. Funds not immediately needed are invested under separate contractual management primarily in the Georgia Local Government Investment Pool.

Risk Management

The County strives continually to evaluate its risk management policies seeking to improve its safety and loss control functions, claims management, insurance placement and financing practices. The County has maintained third-party coverage related to property and casualty, catastrophic losses, liability and employee health coverage. Workers compensation and unemployment benefits are self insured. In October of 2008 the County opted to self insure the employee health benefits, as well. Departmental safety officers are continuing to work with the Human Resources Department for accident prevention training, maintenance of safety standards, and for the review of all accidents and injuries continually to improve safety conditions in the County.

Debt Service

The County had $84,952,000 bond principal outstanding as of December 31, 2010:

- The bonds issued February 2009, for the first phase of the new Parks, Recreation, and Greenspace Bond had a balance of $42,055,000 at 12/31/10. Repayment of this debt will be covered by a separate millage rate levied on the tax digest.
- An additional bond was issued August 2010 for the second phase of the new Parks, Recreation, and Greenspace Bond for $10,767,000. As stated above, repayment of this debt will be covered by a separate millage rate levied on the tax digest.
- Other outstanding GO debt as of year-end totaled $14,275,000.
- The County is also guarantor for debt issued by the Resource Recovery Development Authority. The outstanding balance is $17,855,000.

OTHER INFORMATION

Independent Audit Cherokee County requires an annual independent audit of County financial records by a certified public accountant selected by the Board of Commissioners. The accounting firm of Mauldin & Jenkins, CPA, LLC was selected to fulfill this requirement, and a copy of the auditor's report on the financial statements is included in the financial section of this report.

Single Audit As a recipient of federal and state financial assistance, the County also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and internal staff.

As part of the County's annual single audit, required in conformity with provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget circular A-133, *Audits of State and Local Governments and Nonprofit Organizations*, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations.

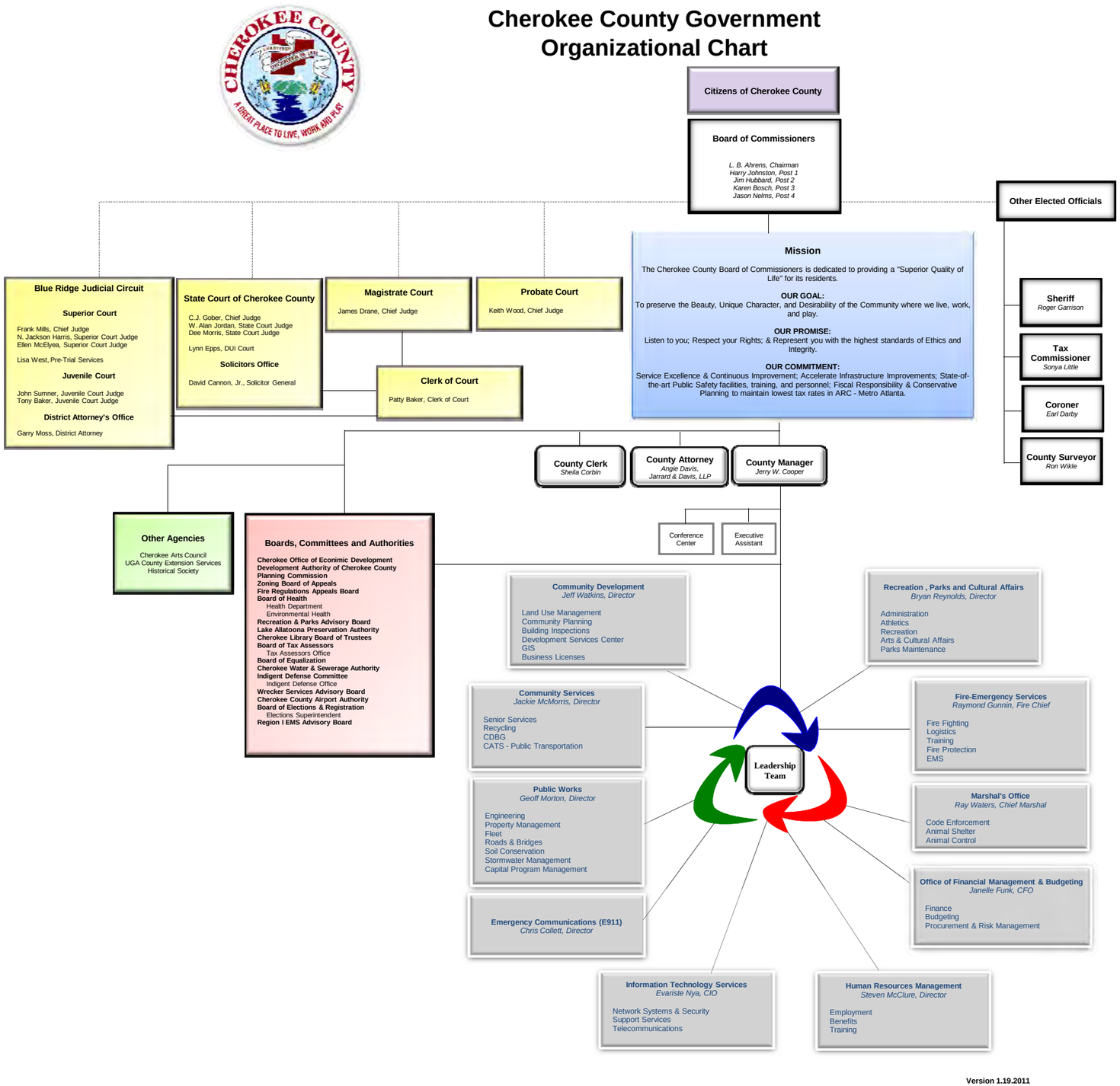
Budgetary Controls The County maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Board of Commissioners. Activities of the general fund, special revenue funds and capital project funds are included in the annual appropriated budget. The official level of county budget control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is the department, function, or activity within each fund. Administrative transfers of appropriations within a department may be authorized by the County Manager to meet unforeseen needs without Commission actions. Transfers of appropriations between departments or functions within a fund are reviewed with the Board of Commissioners prior to approval. The County's budget procedures, together with such procedures for discretely presented component units, are more fully explained in the accompanying notes to the financial statements. The County maintains an encumbrance accounting system as one means of accomplishing budgetary control. Encumbered amounts at year end are carried forward to the ensuing year's budget on a case by case basis.

Acknowledgment The preparation of the report could not have been accomplished without the efficient and dedicated efforts of the staff of the Finance Department, the auditors for the County and its component units, and the cooperation of the various elected officials and county management. My sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

Respectfully submitted,

Janelle Funk
Cherokee County CFO

Cherokee County Government Organizational Chart



Version 1.19.2011

CHEROKEE COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2010

Commission Chairman and Post Commissioners

L. B. Ahrens, Jr.
Commission Chairman

Harry B. Johnston	Post One, Eastern District
Jim Hubbard	Post Two, Eastern District
Karen Bosch	Post Three, Western District
Jason Nelms	Post Four, Western District

Constitutional Officers

David L. Cannon. Jr.
Solicitor General
Earl W. Darby
Coroner
Travis D. Fields
Tax Commissioner
Roger D. Garrison
Sheriff
C.J. Gober, Jr.
Chief State Court Judge

Jackson N. Harris
Superior Court Judge
Ellen McElyea
Superior Court Judge
W. Alan Jordan
State Court Judge
Tony Baker
Juvenile Court Judge
Keith Wood
Probate Court Judge
Frank C. Mills, III.
Chief Superior Court Judge

Garry T. Moss
District Attorney
Patty Baker
Clerk of Superior Court
James Drane
Magistrate Court Judge
John B. Sumner
Juvenile Court Judge
Allen D. Morris
State Court Judge

County Administration

Jerry W. Cooper
County Manager

John L. Adams
Tax Assessor
Sue Garcia
Animal Shelter Director
Steven McClure
Human Resources Director
Sheila R. Corbin
County Clerk
Gary Caviness
Building Inspections Director
Raymond Gunnin
Fire-Emergency Services Director

Janelle Funk
Chief Financial Officer
Mike E. Dupuis
Fleet Maintenance Director
Joseph D. Woycke
GIS/Mapping Director
Nathan Brandon
Senior Services Director
Charles C. Harden
Roads and Bridges Director

Matt Williams
Property Management Director

Jackie R. McMorris
Community Services Director

Geoff E. Morton
Public Works Director
Evariste Nya
IT Services Director
Janet R. Munda
Elections Director
Ray M. Waters
County Marshall
Jeff F. Watkins
Community Services Director

Keith Hammond
Cherokee Recreation and Parks Director

II. FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Cherokee County, Georgia
Canton, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of **Cherokee County, Georgia** (the "County"), as of and for the year ended December 31, 2010, which collectively comprise Cherokee County, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Cherokee County Department of Public Health and Sequoyah Regional Library, which represent 55% and 91%, of the assets and revenue, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Cherokee County Department of Public Health and the Sequoyah Regional Library is based on the report of the other auditors.

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

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cherokee County, Georgia as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and the Fire District 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 June 30, 2011, on our consideration of Cherokee 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis (on pages 3 through 9) and the schedules of funding progress (on page 62) are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cherokee County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Cherokee County, Georgia. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia Annotated 48-8-121, and is not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 30, 2011

Management's Discussion and Analysis

As management of Cherokee County, we offer readers of Cherokee County financial statements this narrative overview and analysis of the financial activities of Cherokee County for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The total assets of Cherokee County were $1,224,711,926, which exceeded its liabilities of $103,705,712 at the close of the most recent fiscal year by $1,121,006,214.
- The government's total net assets decreased by $11,304,190 to $1,121,006,214. This represents a 1.0% decline.
- At the close of the current fiscal year, Cherokee County's governmental funds reported combined ending fund balances of $83,934,943, a decrease of $4,931,870 compared to the prior year. Of this amount, $47,930,340 is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was $24,914,065. This represents 99% of the total fund balance and 44% of total general fund expenditures.
- During the current fiscal year Cherokee County's Bonds Payable, increased by $787,000 (1%). This increase is the net result of 1) Repayments of bond principal totaling $9,980,000 being offset by 2) the new $10,767,000 bond issuance which was required to fund voters' approval of the Parks, Recreation, and Greenspace Bond (included on the November 2008 ballot).

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Cherokee County's basic financial statements. Cherokee County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements The *government-wide financial statements* are designed to provide readers with a broad overview of Cherokee County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of Cherokee County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Cherokee County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Cherokee County that are principally supported by taxes and intergovernmental revenues (*governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Cherokee County include general government, public safety, judicial services, health and welfare, highways and streets, culture and recreation and housing and development. The business-type activities of Cherokee County include Emergency Medical Services (ambulance service), and the Cherokee Conference Center,

The government-wide financial statements include not only Cherokee County itself (known as the *primary government*), but also the Development Authority of Cherokee County, Cherokee County Board of Health, and Sequoyah Regional Library, all legally separate entities, for which Cherokee County is financially accountable.

Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 10-12 of this report.

Fund financial statements A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Cherokee County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Cherokee County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-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 facilitate this comparison between *governmental funds* and *governmental activities.*

Cherokee County maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Fire District fund, the Special Purpose Local Option Sales Tax V (SPLOST) fund, and Recreation Bond fund, all of which are considered to be major funds. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Cherokee County adopts an annual appropriated budget for its general fund, as well as all special revenue, capital projects, and proprietary fund types. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13-21 of this report.

Proprietary funds Cherokee County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Cherokee County uses enterprise funds to account for its Emergency Medical Services and Cherokee Conference Center funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Cherokee County's various functions. Cherokee County uses internal service funds to account for its fleet of vehicles and for its employee benefits claims. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Emergency Medical Services and Cherokee Conference Center funds. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report. The basic proprietary fund financial statements can be found on pages 22-24 of this report.

Fiduciary funds Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Cherokee County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 25 of this report.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-61 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Cherokee County's progress in funding its obligation to provide pension benefits and OPEB benefits to its employees. Please reference the index for the location of the required supplementary information in this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 63-93 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Cherokee County, assets (excluding component units) exceeded liabilities by $1,121,006,214 at the close of the most recent fiscal year. Said another way, Cherokee County assets are almost twelve times greater than its liabilities.

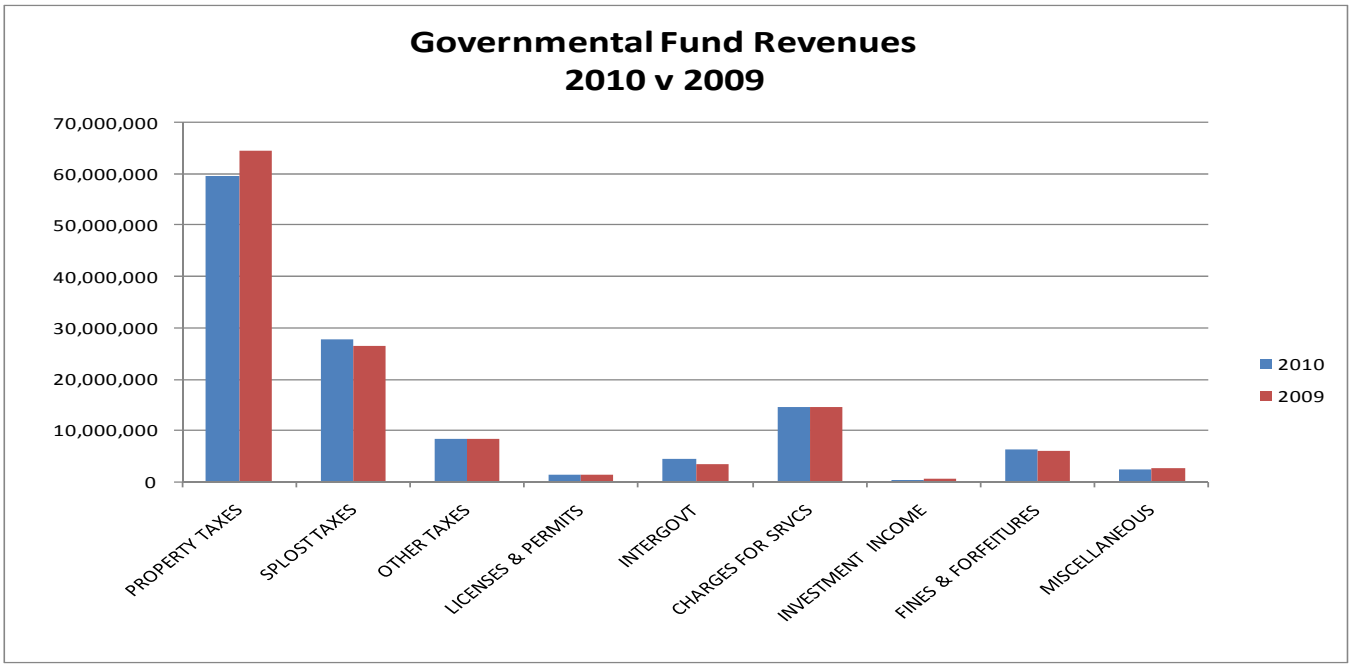
By far the largest portion of Cherokee County's net assets, $1,059,386,867 or 94.5% reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Cherokee County uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Cherokee County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

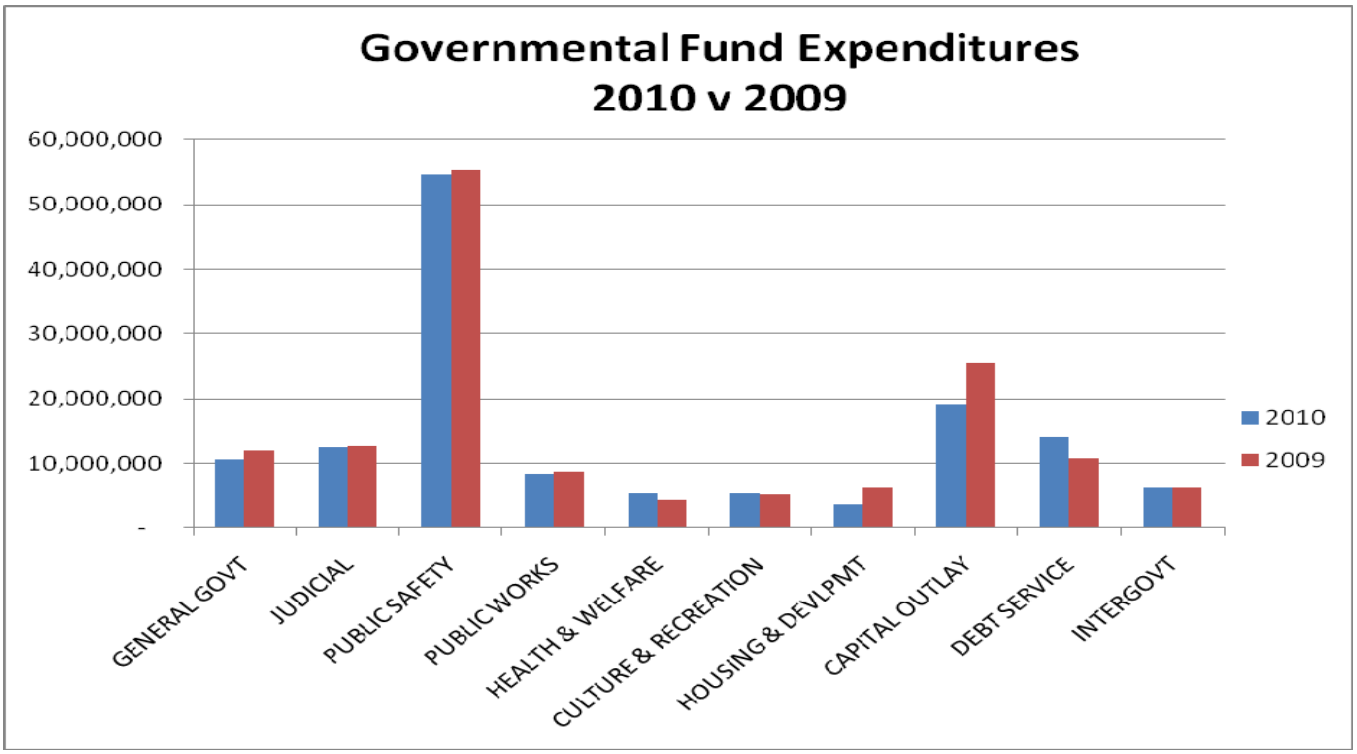
	Governmental Fund Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Assets:						
Current and Other Assets	$ 115,987,179	$ 120,990,666	$ 631,573	$ 1,417,176	$ 116,618,752	$ 122,407,842
Capital Assets	1,107,389,735	1,122,166,732	703,439	800,260	1,108,093,174	1,122,966,992
Total Assets	1,223,376,914	1,243,157,398	1,335,012	2,217,436	1,224,711,926	1,245,374,834
Liabilities:						
Current Liabilities	7,207,899	6,696,549	325,876	115,304	7,533,775	6,811,853
Long Term Liabilities	96,014,057	94,551,554	157,880	108,267	96,171,937	94,659,821
Total Liabilities	103,221,956	101,248,103	483,756	223,571	103,705,712	101,471,674
Net Assets:						
Investment in capital assets, net of related debt	1,058,683,428	1,064,235,201	703,439	800,260	1,059,386,867	1,065,035,461
Restricted	35,732,314	37,906,250			35,732,314	37,906,250
Unrestricted	25,739,216	39,767,844	147,817	1,193,605	25,887,033	40,961,449
Total Net Assets	$ 1,120,154,958	$ 1,141,909,295	$ 851,256	$ 1,993,865	$ 1,121,006,214	$ 1,143,903,160

- Cherokee County's net assets in the governmental activities decreased $10,161,581.
- The business-type activities, which includes the Emergency Medical Services and Cherokee Conference Center funds ended the year with a decrease in net assets of $1,142,609.
- Cherokee County's total net assets, including both governmental and business type activities, decreased $11,304,190, which represents a decrease of 1.0%.

Governmental activities Governmental activities revenue increased $3,082,667. While charges for services decreased $1,020,042 and property taxes decreased $4,702,723, operating and capital grants increased $7,893,892. Governmental activity expenses increased $3,219,227. Public Works expenses increased $3,952,419, which is related to receiving additional capital grant revenue.

	Governmental Fund Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Program Revenue:						
Charges for Services	$ 21,816,046	$ 22,836,088	$ 5,897,849	$ 3,850,749	$ 27,713,895	$ 26,686,837
Operating Grants	3,702,555	2,756,658	21,000	21,000	3,723,555	2,777,658
Capital Grants:	18,724,096	11,776,101			18,724,096	11,776,101
General Revenue:						
Property Taxes	59,595,990	64,298,713			59,595,990	64,298,713
Alcoholic Beverage Taxes	899,933	870,004			899,933	870,004
Franchise Taxes	1,484,307	1,501,321			1,484,307	1,501,321
Sales Taxes	27,381,983	26,689,087			27,381,983	26,689,087
Insurance Premium Taxes	5,686,599	5,846,968			5,686,599	5,846,968
Other Taxes	89,491	82,876			89,491	82,876
Other	2,018,183	1,336,667	187,728	146,706	2,205,911	1,483,373
Interest	166,685	487,215			166,685	487,215
TOTAL REVENUES	141,565,868	138,481,698	6,106,577	4,018,455	147,672,445	142,500,153
Program Expenses:						
General Government	11,238,380	14,126,768			11,238,380	14,126,768
Judicial	12,934,968	13,068,161			12,934,968	13,068,161
Public Safety	58,859,578	55,665,946			58,859,578	55,665,946
Public Works	50,666,579	46,714,160			50,666,579	46,714,160
Health and Welfare	5,332,454	4,223,612			5,332,454	4,223,612
Culture and Recreation	5,085,377	6,047,753			5,085,377	6,047,753
Housing and Development	3,582,765	4,887,468			3,582,765	4,887,468
Interest	3,622,857	3,369,863			3,622,857	3,369,863
Emergency Medical Services		-	7,429,041	7,213,645	7,429,041	7,213,645
Conference Center		-	224,636	162,963	224,636	162,963
TOTAL EXPENSES	151,322,958	148,103,731	7,653,677	7,376,608	158,976,635	155,480,339
Change in Net Assets Before Transfers	(9,757,090)	(9,622,033)	(1,547,100)	(3,358,153)	(11,304,190)	(12,980,186)
Transfers	(404,491)	(797,876)	404,491	797,876	-	-
Changes in Net Assets	(10,161,581)	(10,419,909)	(1,142,609)	(2,560,277)	(11,304,190)	(12,980,186)
Beginning Net Assets	1,141,909,295	1,152,329,204	1,993,865	4,554,142	1,143,903,160	1,156,883,346
Restatement	(11,592,766)				(11,592,766)	
Ending Net Assets	$ 1,120,154,958	$ 1,141,909,295	$ 851,256	$ 1,993,865	$ 1,121,006,214	$ 1,143,903,160





Financial Analysis of the Government's Funds

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

Governmental funds The focus of Cherokee County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Cherokee County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Cherokee County's governmental funds reported combined ending fund balances of $83,934,943, a net decrease of $4,931,870 from the prior year. Of this, $47,930,340, or 57.1%, constitutes *unreserved fund balance,* which is available for spending at the government's discretion.

The General fund is the chief operating fund of Cherokee County. At the end of the current fiscal year, total fund balance of the General fund was $25,181,708 of which $24,914,065, or 98.9%, represents the *unreserved* portion. As a measure of the General fund's liquidity, it may be useful to compare the unreserved fund balance to total fund expenditures; the unreserved fund balance represents 44.2% of General fund expenditures.

The fund balance of Cherokee County's General Fund decreased by $4,753,606 during the current fiscal year. While General fund departments operated within their allocated budgets, 2010 revenues were budgeted optimistically - before the County fully understood the impact the economic downturn would have on real estate related revenues and investment income. This revenue shortfall (as compared to budget) is the primary driver of the decrease in fund balance.

The Fire District Fund is another major fund of the County which is primarily supported by property taxes. At year end, total fund balance of this fund was $13,857,840, of which $13,853,194 (99.9%) was unreserved. This balance represents an increase of $256,176, which is a result of the Fire Department managing its expenses below its allocated budget.

The SPLOST V fund is another major fund of the County which is primarily supported by sales taxes. At year end, total fund balance of the SPLOST V fund was $1,998 all classified as reserved. This balance represents a decrease of $50,684. This decrease was planned and was the result of spending reserves to complete capital projects approved by voters when the SPLOST referendum was passed.

The Recreation Bond fund is another major fund of the County which is primarily supported by the issuance of bond proceeds. At year end, total fund balance of the Recreation Bond fund was $28,133,061, of which $2,650,628 (9.4%) was unreserved. This balance represents a decrease of $1,026,946. This decrease was planned and was the result of spending reserves to complete capital projects approved by voters when the bond resolutions were passed.

Proprietary funds Cherokee County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Emergency Services fund and the Conference Center fund at the end of the year amounted to $851,256 of which $147,817, or 17.4%, was unrestricted. Net assets for Internal Services, comprised of fleet services and employee benefits, amounted to $457,036, of which 98.8% was Invested in capital assets.

General Fund Budgetary Highlights

The original expenditure budget of $57,808,431 was increased $900,329, for a final amended budget of $58,708,760. This increase was the result of several small budget amendments throughout all departments. However, by year-end the actual General fund expenditures were $2,398,138 under the final budget. $1,391,500 of this positive variance is related to the method used to budget the TAN. When the 2010 Budget was developed the proceeds and repayment were budgeted at the gross amounts; however, when the actual events were recorded, it was shown at the net cost (per generally accepted accounting principles). Therefore $1,391,500 is not a true "budget savings," but rather a difference in reporting, and had zero impact to net results. The remaining positive budget variance of $1,002,638 is due to all departments cutting back spending in reaction to our declining revenues.

Capital Asset and Debt Administration

Capital Assets Cherokee County's investment in capital assets for its governmental activities as of December 31, 2010 amounts to $1,107,389,735 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges.

Major capital asset events during the current fiscal year included the following:

- Purchase of new fire equipment and additional public safety vehicles
- Purchase of Identix Livescan system for Sheriff
- Purchase of Woodstock Tax Commissioner Building
- Purchase of land and green space property related to the Parks, Recreations, and Greenspace Bond

Additional information on Cherokee County's capital assets can be found in note 6 on pages 44-47 of this report.

Long-term debt At the end of the current fiscal year, Cherokee County had total long term bonded debt outstanding of $84,952,000. Of this debt, $17,855,000 is debt issued by the Resource Recovery Development Authority, a blended component unit of the County, which are revenue bonds guaranteed by the full faith and credit of the County. The remaining debt is backed by the full faith and credit of the government and is supported by the 1% Special Purpose Local Option Sales tax approved by the voters in the 2004 referendum, and the Parks, Recreation, and Greenspace Bond approved by voters in 2008 and supported by a separate millage rate of .628 mills.

Cherokee County's long term bonded debt increased $787,000 during the current fiscal year. New bonded debt was issued during the year in the amount of $10,767,000. Cherokee County has a bond rating from Fitch Rating Agency of "AA+" for general obligation debt. The County holds a rating of "Aa2" from Moody's Rating Agency and a "AA-" from Standard & Poor's Rating agency on general obligation debt. The revenue bonds held by Cherokee County Development Authority have a rating of "AAA" from Standard & Poor's Rating Agency.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for Cherokee County is $824,655,000 which is significantly in excess of Cherokee County's outstanding debt of $84,952,000.

Additional information on Cherokee County's long-term debt can be found in note 8 on pages 48-53 of this report.

Economic Factors and Next Year's Budgets and Rates

- Cherokee County's annual unemployment rate was 8.9%, which is below the state average of 10.2%.
- The per capita personal income as provided by the Georgia Department of Labor was an average of $30,000 in Cherokee County.
- The need for services such as police and fire protection, court services, recreation facilities, and road improvements have increased in direct correlation to the population growth. Population currently stands at approximately 214,000, which is consistent with the population one year ago.

All of these factors were considered in preparing Cherokee County's budget for the 2012 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Cherokee County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Cherokee County Board of Commissioners, 1130 Bluffs Parkway, Canton, Georgia, 30114.

BASIC FINANCIAL STATEMENTS

CHEROKEE COUNTY, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2010

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority	Library
ASSETS						
Cash and cash equivalents	$ 42,638,621	$ 121,572	$ 42,760,193	$ 1,493,268	$ 1,908,985	$ 1,197,828
Investments	17,483,265	-	17,483,265	-	-	-
Property taxes receivable	5,491,701	-	5,491,701	-	-	-
Accounts receivable	3,359,200	683,293	4,042,493	115,667	27,250	56,817
Due from other governments	3,434,500	-	3,434,500	1,460,420	-	62,230
Due from component units	2,156	-	2,156			
Internal balances	173,292	(173,292)	-	-	-	-
Inventory	267,803	-	267,803	460	-	-
Prepaid items	5,500	-	5,500	-	-	24,210
Note receivable	17,130,155	-	17,130,155			
Restricted investment	20,523,924	-	20,523,924	-	-	129,448
Deferred charges - bond issuance costs	1,100,358	-	1,100,358	-	138,100	-
Capital assets, non-depreciable	278,678,978	-	278,678,978	-	7,734,817	1,271,564
Capital assets, depreciable (net of accumulated depreciation)	828,710,757	703,439	829,414,196	560,788	1,402,795	7,208,549
Net pension asset	4,376,704	-	4,376,704	-	-	-
Total assets	1,223,376,914	1,335,012	1,224,711,926	3,630,603	11,211,947	9,950,646
LIABILITIES						
Accounts payable	3,631,616	74,714	3,706,330	360,363	-	65,593
Accrued liabilities	3,023,887	251,162	3,275,049	757,342	30,342	11,478
Unearned revenue	552,396	-	552,396	-	-	-
Net OPEB obligation, due in more than one year	1,112,591	-	1,112,591	-	-	-
Claims payable due within one year	1,251,896	-	1,251,896	-	-	-
Claims payable due in more than one year	417,299	-	417,299	-	-	-
Capital leases due within one year	132,942	-	132,942	-	-	-
Capital leases due in more than one year	401,408	-	401,408	-	-	-
Notes payable due within one year	-	-	-	-	168,924	-
Notes payable due in more than one year	-	-	-	-	7,124,215	-
Bonds payable due within one year	10,340,000	-	10,340,000	-	-	-
Bonds payable due in more than one year	75,972,744	-	75,972,744	-	-	-
Compensated absences due within one year	2,366,050	118,410	2,484,460	-	-	20,408
Compensated absences due in more than one year	788,684	39,470	828,154	365,135	-	81,630
Landfill due within one year	282,084	-	282,084	-	-	-
Landfill due in more than one year	2,948,359	-	2,948,359	-	-	-
Total liabilities	103,221,956	483,756	103,705,712	1,482,840	7,323,481	179,109
NET ASSETS						
Invested in capital assets, net of related debt	1,058,683,428	703,439	1,059,386,867	560,788	1,844,473	8,480,113
Restricted for:						
Other purposes	-	-	-	8,817	-	1,641
E911	1,676,938	-	1,676,938			
Capital projects	26,787,392	-	26,787,392	-	-	301,982
Debt service	7,267,984	-	7,267,984	-	-	-
Unrestricted	25,739,216	147,817	25,887,033	1,578,158	2,043,993	987,801
Total net assets	$ 1,120,154,958	$ 851,256	$ 1,121,006,214	$ 2,147,763	$ 3,888,466	$ 9,771,537

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 11,238,380	$ 4,488,101	$ 841,429	$ -
Judicial	12,934,968	6,375,601	620,991	-
Public safety	58,859,578	6,126,627	207,554	106,528
Public works	50,666,579	2,524,196	496,712	18,176,542
Health and welfare	5,332,454	353,951	1,535,869	419,351
Culture and recreation	5,085,377	1,098,694	-	21,675
Housing and development	3,582,765	848,876	-	-
Interest on long-term debt	3,622,857	-	-	-
Total governmental activities	151,322,958	21,816,046	3,702,555	18,724,096
Business-type activities:				
EMS	7,429,041	5,886,811	-	-
Conference center	224,636	11,038	21,000	-
Total business-type activities	7,653,677	5,897,849	21,000	-
Total primary government	$ 158,976,635	$ 27,713,895	$ 3,723,555	$ 18,724,096
Component units:				
Department of Public Health	$ 13,553,955	$ 1,089,262	$ 12,602,617	$ -
Development Authority	1,461,999	-	1,088,213	-
Library	4,578,023	330,381	927,087	416,577
Total component units	$ 19,593,977	$ 1,419,643	$ 14,617,917	$ 416,577
General revenues:				
Property taxes				
Alcoholic beverage taxes				
Franchise taxes				
Sales taxes				
Insurance premium taxe				
Other taxes				
Miscellaneous revenues				
Unrestricted investment earnings				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net asset				
Net assets, beginning of year, restated				
Net assets, end of year				

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

Net (Expenses) Revenues and Changes in Net Assets						
Primary Government				Component Units		
Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority	Library
$ (5,908,850)	$ -	$ (5,908,850)	$ -	$ -	$ -
(5,938,376)	-	(5,938,376)	-	-	-
(52,418,869)	-	(52,418,869)	-	-	-
(29,469,129)	-	(29,469,129)	-	-	-
(3,023,283)	-	(3,023,283)	-	-	-
(3,965,008)	-	(3,965,008)	-	-	-
(2,733,889)	-	(2,733,889)	-	-	-
(3,622,857)	-	(3,622,857)	-	-	-
(107,080,261)	-	(107,080,261)	-	-	-
-	(1,542,230)	(1,542,230)	-	-	-
-	(192,598)	(192,598)	-	-	-
-	(1,734,828)	(1,734,828)	-	-	-
(107,080,261)	(1,734,828)	(108,815,089)	-	-	-
-	-	-	137,924	-	-
-	-	-	-	(373,786)	-
-	-	-	-	-	(2,903,978)
-	-	-	137,924	(373,786)	(2,903,978)
59,595,990	-	59,595,990	-	-	-
899,933	-	899,933	-	-	-
1,484,307	-	1,484,307	-	-	-
27,381,983	-	27,381,983	-	-	-
5,686,599	-	5,686,599	-	-	-
89,491	-	89,491	-	-	-
2,018,183	187,728	2,205,911	-	178,579	2,927,354
166,685	-	166,685	-	2,982	4,285
-	-	-	-	499,304	
(404,491)	404,491	-	-	-	-
96,918,680	592,219	97,510,899	-	680,865	2,931,639
(10,161,581)	(1,142,609)	(11,304,190)	137,924	307,079	27,661
1,130,316,539	1,993,865	1,132,310,404	2,009,839	3,581,387	9,743,876
$ 1,120,154,958	$ 851,256	$ 1,121,006,214	$ 2,147,763	$ 3,888,466	$ 9,771,537

CHEROKEE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010

ASSETS	General Fund	Fire District Fund	SPLOST V Fund	Recreation Bond Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 18,171,413	$ 11,795,186	$ -	$ 2,918,076	$ 8,817,110	$ 41,701,785
Investments	908,146	901,482	1,776,313	4,958,509	8,938,815	17,483,265
Property taxes receivable	3,464,788	1,564,402	-	-	462,511	5,491,701
Accounts receivable	2,081,677	584	-	-	1,093,416	3,175,677
Due from other governments	246	-	2,769,174	-	665,080	3,434,500
Due from other funds	4,625,389	887,230	2,075	-	17	5,514,711
Due from component unit	2,156	-	-	-	-	2,156
Inventory	71,231	4,646	-	-	-	75,877
Prepaid assets	5,400	-	-	-	100	5,500
Restricted investments	-	-	-	20,523,924	-	20,523,924
Total assets	$ 29,330,446	$ 15,153,530	$ 4,547,562	$ 28,400,509	$ 19,977,049	$ 97,409,096
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 797,086	$ 207,106	$ 1,378,507	$ 264,567	$ 745,438	$ 3,392,704
Accrued liabilities	749,530	257,350	26,121	2,881	213,973	1,249,855
Due to other funds	1,913	-	3,140,936	-	1,928,209	5,071,058
Deferred revenue	2,600,209	831,234	-	-	329,093	3,760,536
Total liabilities	4,148,738	1,295,690	4,545,564	267,448	3,216,713	13,474,153
FUND BALANCES						
Fund balances:						
Reserved for:						
Court technology	191,012	-	-	-	-	191,012
Prepaids	5,400	-	-	-	100	5,500
Inventory	71,231	4,646	-	-	-	75,877
Debt service	-	-	-	-	7,267,984	7,267,984
E-911 wireless	-	-	-	-	1,676,938	1,676,938
Capital projects	-	-	1,998	25,482,433	1,302,961	26,787,392
Unreserved, reported in:						
General fund	24,914,065	-	-	-	-	24,914,065
Special revenue funds	-	13,853,194	-	-	2,894,222	16,747,416
Capital projects funds	-	-	-	2,650,628	3,618,131	6,268,759
Total fund balances	25,181,708	13,857,840	1,998	28,133,061	16,760,336	83,934,943
Total liabilities and fund balances	$ 29,330,446	$ 15,153,530	$ 4,547,562	$ 28,400,509	$ 19,977,049	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,106,938,294
Other long-term assets are not available to pay for current period expenditures, and, therefore, are deferred in the funds.	3,208,140
Notes receivable of governmental activities are not current financial resources and, therefore, are not reported in the governmental funds	17,130,155
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(94,777,723)
Net pension asset is not recorded on the fund financial statements	4,376,704
Net OPEB liability does not consume current financial resources and, therefore, is not reported in governmental funds.	(1,112,591)
Internal service funds are used by management to charge the costs of various benefits and services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	457,036
Net assets of governmental activities	$ 1,120,154,958

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2010

	General Fund	Fire District Fund	SPLOST V Fund	Recreation Bond Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	$ 37,363,801	$ 17,461,699	$ -	$ -	$ 4,913,496	$ 59,738,996
Alcoholic beverage taxes	-	-	-	-	899,933	899,933
Franchise taxes	1,484,307	-	-	-	-	1,484,307
Insurance premium taxes	-	-	-	-	5,686,599	5,686,599
Sales taxes	-	-	27,591,845	-	-	27,591,845
Other taxes	-	-	-	-	89,491	89,491
Licenses and permits	714,835	37,502	-	-	427,401	1,179,738
Intergovernmental	82,261	-	784,535	-	3,560,050	4,426,846
Fines and forfeitures	4,655,603	-	-	-	1,504,002	6,159,605
Charges for services	7,273,614	993,408	-	-	6,102,385	14,369,407
Investment income	46,354	29,011	13,930	58,146	35,605	183,046
Contributions and donations	-	-	-	-	70,632	70,632
Other	917,589	2,768	78,107	-	1,266,564	2,265,028
Total revenues	52,538,364	18,524,388	28,468,417	58,146	24,556,158	124,145,473
EXPENDITURES						
Current:						
General government	10,222,302	-	-	-	364,950	10,587,252
Judicial	12,090,058	-	-	-	451,045	12,541,103
Public safety	29,561,377	18,268,212	-	-	6,937,638	54,767,227
Public works	366,289	-	4,266,497	-	3,733,568	8,366,354
Health and welfare	657,956	-	-	-	4,785,614	5,443,570
Culture and recreation	2,067,688	-	300,000	191,365	2,852,470	5,411,523
Housing and development	1,128,213	-	1,208,518	-	1,165,653	3,502,384
Capital outlay	-	-	7,619,266	11,525,874	12,520	19,157,660
Intergovernmental	-	-	6,317,565	-	-	6,317,565
Debt service:						
Principal	121,013	-	211,924	-	9,980,000	10,312,937
Interest	95,726	-	10,821	-	3,501,201	3,607,748
Bond issuance costs	-	-	-	134,853	-	134,853
Total expenditures	56,310,622	18,268,212	19,934,591	11,852,092	33,784,659	140,150,176
Excess (deficiency) of revenues over (under) expenditures	(3,772,258)	256,176	8,533,826	(11,793,946)	(9,228,501)	(16,004,703)
OTHER FINANCING SOURCES (USES)						
Issuance of bonds	-	-	-	10,767,000	-	10,767,000
Proceeds from sale of capital assets	710,324	-	-	-	-	710,324
Transfers in	848,503	-	-	-	11,225,723	12,074,226
Transfers out	(2,540,175)	-	(8,584,510)	-	(1,354,032)	(12,478,717)
Total other financing sources (uses)	(981,348)	-	(8,584,510)	10,767,000	9,871,691	11,072,833
Net change in fund balances	(4,753,606)	256,176	(50,684)	(1,026,946)	643,190	(4,931,870)
FUND BALANCES, beginning of year, restated	29,935,314	13,601,664	52,682	29,160,007	16,117,146	88,866,813
FUND BALANCES, end of year	$ 25,181,708	$ 13,857,840	$ 1,998	$ 28,133,061	$ 16,760,336	$ 83,934,943

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

CHEROKEE COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2010

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

Net change in fund balances - total governmental funds	$	(4,931,870)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays, which are not reported in the the governmental funds, in the current period.		(19,450,960)
The net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins) is to increase net assets.		16,338,564
The current year increase to the net pension asset decreases net expenses of pensionable functions on the government wide statements.		(275,721)
The current year increase to the net OPEB liability increases net expenses of the functions on the government wide statements.		(308,767)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(409,111)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(319,210)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(994,105)
Internal service funds are used by management to charge costs of various services and benefits to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.		189,599
Change in net assets - governmental activities	$	(10,161,581)

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

CHEROKEE COUNTY, GEORGIA

GENERAL FUND AND FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 41,358,252	$ 41,373,252	$ 37,363,801	$ (4,009,451)
Franchise taxes	1,350,000	1,350,000	1,484,307	134,307
Licenses and permits	895,000	895,000	714,835	(180,165)
Intergovernmental	41,500	41,500	82,261	40,761
Fines and forfeitures	4,746,000	4,746,000	4,655,603	(90,397)
Charges for services	7,713,500	7,713,500	7,273,614	(439,886)
Interest	150,000	150,000	46,354	(103,646)
Other	1,385,000	729,684	917,589	187,905
Total revenues	57,639,252	56,998,936	52,538,364	(4,460,572)
EXPENDITURES				
Current:				
General government:				
County commission	276,349	282,624	276,934	5,690
County manager	334,805	337,519	310,674	26,845
County clerk	91,008	92,031	85,280	6,751
Elections	768,984	772,102	715,580	56,522
Finance	745,540	768,138	683,501	84,637
County attorney	525,000	525,000	562,614	(37,614)
Data processing	1,821,693	1,830,027	1,701,557	128,470
Mapping	421,180	425,418	406,315	19,103
Human resources	353,475	360,112	351,690	8,422
Tax commissioner	1,828,736	1,855,504	1,706,135	149,369
Tax assessor	1,760,072	1,789,689	1,709,059	80,630
Buildings and grounds	1,540,874	1,504,331	1,495,640	8,691
General administration	149,500	237,912	217,323	20,589
Total general government	10,617,216	10,780,407	10,222,302	558,105
Judicial:				
Court administration	613,298	596,240	577,403	18,837
Superior court	785,135	769,231	716,296	52,935
Superior court -pretrial services	172,658	153,681	122,606	31,075
Clerk of superior court	3,163,533	3,177,743	3,093,255	84,488
District attorney	1,789,266	1,799,192	1,649,125	150,067
State court	610,389	716,248	712,298	3,950

(Continued)

Fire District Fund				
Budget				Variance With
Original	Final	Actual	Final Budget
$ 18,290,817	$ 18,290,816	$ 17,461,699	$ (829,117)
-	-	-	-
50,000	50,000	37,502	(12,498)
-	-	-	-
-	-	-	-
909,000	909,000	993,408	84,408
100,000	100,000	29,011	(70,989)
-	2,532	2,768	236
19,349,817	19,352,348	18,524,388	(827,960)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

CHEROKEE COUNTY, GEORGIA

GENERAL FUND AND FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (Continued)				
Current (continued):				
Judicial (continued):				
State court solicitor	$ 1,394,071	$ 1,420,824	$ 1,434,430	$ (13,606)
Magistrate court	346,147	348,166	336,610	11,556
Probate court	626,949	634,942	617,860	17,082
Indigent defense	1,920,214	1,916,010	1,907,759	8,251
Juvenile court	791,958	834,964	922,416	(87,452)
Total judicial	12,213,618	12,367,241	12,090,058	277,183
Public safety:				
Sheriff	28,688,449	29,218,246	29,109,991	108,255
Fire	-	-	-	-
Adult probation	12,500	12,500	12,500	-
Coroner	105,446	106,181	122,456	(16,275)
Animal control	314,419	320,058	316,430	3,628
Total public safety	29,120,814	29,656,985	29,561,377	95,608
Public works:				
Recycling	179,698	179,697	167,198	12,499
Postclosure care	150,000	200,000	199,091	909
Total public works	329,698	379,697	366,289	13,408
Health and welfare:				
Public health administration	325,000	325,000	329,483	(4,483)
Aid to dependent children	121,500	121,500	111,548	9,952
Aid to the disabled	12,000	12,000	12,000	-
Community service agent	138,633	139,978	108,871	31,107
Children and youth services	120,000	27,500	20,313	7,187
County extension	89,000	89,000	75,741	13,259
Total health and welfare	806,133	714,978	657,956	57,022

(Continued)

Fire District Fund			
Budget			Variance With
Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
19,349,817	19,683,613	18,268,212	1,415,401
-	-	-	-
-	-	-	-
-	-	-	-
19,349,817	19,683,613	18,268,212	1,415,401
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

CHEROKEE COUNTY, GEORGIA

GENERAL FUND AND FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (Continued)				
Current: (Continued)				
Housing and development:				
Airport	$ 39,931	$ 39,931	$ 40,000	$ (69)
Economic development	2,483,782	2,479,782	1,088,213	1,391,569
Total housing and development	2,523,713	2,519,713	1,128,213	1,391,500
Culture and recreation:				
Community arts centers	-	92,500	87,188	5,312
Library	1,980,500	1,980,500	1,980,500	-
Total culture and recreation	1,980,500	2,073,000	2,067,688	5,312
Debt service:				
Principal	121,013	121,013	121,013	-
Interest	95,726	95,726	95,726	-
Total debt service	216,739	216,739	216,739	-
Total expenditures	57,808,431	58,708,760	56,310,622	2,398,138
Excess (deficiency) of revenues over expenditures	(169,179)	(1,709,824)	(3,772,258)	(2,062,434)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	362,465	1,162,465	710,324	(452,141)
Proceeds from capital lease	1,405,865	1,405,865	-	(1,405,865)
Transfers in	980,158	998,558	848,503	(150,055)
Transfers out	(2,579,310)	(2,579,310)	(2,540,175)	39,135
Total other financing sources (uses)	169,178	987,578	(981,348)	(1,968,926)
Net change in fund balances	(1)	(722,246)	(4,753,606)	(4,031,360)
FUND BALANCES, beginning of year, restated	29,935,314	29,935,314	29,935,314	-
FUND BALANCES, end of year	$ 29,935,313	$ 29,213,068	$ 25,181,708	$ (4,031,360)

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

Fire District Fund			
Budget			Variance With
Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
19,349,817	19,683,613	18,268,212	1,415,401
-	(331,265)	256,176	587,441
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	(331,265)	256,176	587,441
13,601,664	13,601,664	13,601,664	-
$ 13,601,664	$ 13,270,399	$ 13,857,840	$ 587,441

CHEROKEE COUNTY, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2010

ASSETS	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
CURRENT ASSETS				
Cash	$ -	$ 121,572	$ 121,572	$ 936,836
Receivables, net of allowance	682,843	450	683,293	183,523
Inventories	-	-	-	191,926
Total current assets	682,843	122,022	804,865	1,312,285
NONCURRENT ASSETS				
Capital assets, net of depreciation	703,439	-	703,439	451,441
Total assets	1,386,282	122,022	1,508,304	1,763,726
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	69,535	5,179	74,714	238,912
Accrued liabilities	242,487	8,675	251,162	768,664
Due to other funds	173,292	-	173,292	270,361
Compensated absences, due within one year	118,410	-	118,410	21,565
Total current liabilities	603,724	13,854	617,578	1,299,502
NONCURRENT LIABILITIES				
Compensated absences, due in more than one year	39,470	-	39,470	7,188
Total liabilities	643,194	13,854	657,048	1,306,690
NET ASSETS				
Invested in capital assets	703,439	-	703,439	451,441
Unrestricted	39,649	108,168	147,817	5,595
Total net assets	$ 743,088	$ 108,168	$ 851,256	$ 457,036

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
OPERATING REVENUES				
Charges for services	$ 5,886,811	$ 11,038	$ 5,897,849	$ 10,757,531
Miscellaneous revenue	1,375	186,353	187,728	780,618
Total operating revenues	5,888,186	197,391	6,085,577	11,538,149
OPERATING EXPENSES				
Personal services	3,063,883	-	3,063,883	10,576,806
Contractual services	591,156	158,222	749,378	44,770
Supplies	429,404	66,414	495,818	655,129
Bad debts	3,247,777	-	3,247,777	-
Depreciation	96,821	-	96,821	57,174
Total operating expenses	7,429,041	224,636	7,653,677	11,333,879
Operating income (loss)	(1,540,855)	(27,245)	(1,568,100)	204,270
NON-OPERATING REVENUES (EXPENSES)				
Contributions	-	21,000	21,000	-
Loss on disposal	-	-	-	(14,671)
Total non-operating revenues (expenses)	-	21,000	21,000	(14,671)
Change in net assets before transfers	(1,540,855)	(6,245)	(1,547,100)	189,599
TRANSFERS IN	350,000	54,491	404,491	-
Change in net assets	(1,190,855)	48,246	(1,142,609)	189,599
NET ASSETS, beginning of year	1,933,943	59,922	1,993,865	267,437
NET ASSETS, end of year	$ 743,088	$ 108,168	$ 851,256	$ 457,036

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 6,658,368	$ 201,406	$ 6,859,774	$ -
Receipts from other funds	-	-	-	11,238,179
Payments to employees	(2,825,331)	-	(2,825,331)	(642,555)
Payments to suppliers for services provided	(4,183,037)	(222,363)	(4,405,400)	(10,461,097)
Net cash provided by (used in) operating activities	(350,000)	(20,957)	(370,957)	134,527
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	350,000	54,491	404,491	-
Donations for operations	-	21,000	21,000	-
Net cash provided by non-capital financing activities	350,000	75,491	425,491	-
Net increase in cash	-	54,534	54,534	134,527
Cash and cash equivalents, beginning of year	-	67,038	67,038	802,309
Cash and cash equivalents, end of year	$ -	$ 121,572	$ 121,572	$ 936,836
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	$ (1,540,855)	$ (27,245)	$ (1,568,100)	$ 204,270
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	96,821	-	96,821	57,174
(Increase) decrease in accounts receivable	770,182	4,015	774,197	(46,098)
Decrease in due from other funds	-	-	-	479,385
Increase in inventories	-	-	-	(46,259)
Decrease in prepaid items	-	6,000	6,000	-
Increase (decrease) in accounts payable	25,360	(1,722)	23,638	(45,810)
Increase (decrease) in accrued liabilities	188,939	(2,005)	186,934	(265,807)
Increase (decrease) in due to other funds	59,940	-	59,940	(210,279)
Increase in compensated absence	49,613	-	49,613	7,951
Net cash provided by (used in) operating activities	$ (350,000)	$ (20,957)	$ (370,957)	$ 134,527

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2010

	Agency Funds
ASSETS	
Cash	$ 85,756,196
Taxes receivable	15,176,931
Total assets	100,933,127
LIABILITIES	
Due to others	85,756,196
Taxes payable to others upon collection	15,176,931
	$ 100,933,127

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County is a political subdivision of the State of Georgia governed by the Commission Chairman and a four-member Board of Commissioners. The financial statements of the County and its discretely presented component units, the Development Authority of Cherokee County, the Sequoyah Regional Library, and the Cherokee County Department of Public Health have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are described below.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" as amended by Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units", the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. Based upon the application of these criteria, the following is a brief review of each component unit addressed in defining the County's reporting entity.

The **Development Authority of Cherokee County** (the "Development Authority") provides a means to issue industrial development bonds to develop and promote trade, commerce, industry and employment opportunities within Cherokee County. All board members of the Development Authority are appointed by the County. The Development Authority is dependent on the County for its operational costs as well as relying on the County to make the debt service payments on their bonds. The Development Authority is presented as a governmental fund type component unit. There are no separately issued financial statements available for the Development Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The **Sequoyah Regional Library** (the "Library") provides library services to the citizens of Cherokee, Gilmer and Pickens Counties. During the year ended June 30, 2010 (the Library operates on a June 30 year end), the Library received $1,980,500 from the County. The County appoints a majority of the Library's board members. The Library is presented as a governmental fund type component unit.

The Sequoyah Regional Library operates on a June 30 year end. The financial statements of the Sequoyah Regional Library were audited by other auditors, and a complete report can be obtained from the Sequoyah Regional Library, 116 Brown Industrial Parkway, Canton, Georgia 30114.

The **Cherokee County Department of Public Health** (the "Department of Public Health") provides health related services to residents of Cherokee County. Programs include disease screening, child health services, family planning, health services, and environmental health programs. The County appoints a voting majority of the board members of the Department of Public Health and provides significant funding to the Department of Public Health.

The Department of Public Health operates on a June 30 year end. The financial statements of the Department of Public Health were audited by other auditors, and a complete report can be obtained from the administrative offices of the Department of Public Health, 1219 Univeter Road, Canton, Georgia 30114.

A blended component unit, although legally separate entity, is in substance part of the County's operations and so financial data from this unit is combined with the financial data of the primary government. The following is presented as a blended component unit.

The **Resource Recovery Development Authority of Cherokee County** (the "RR Development Authority") provides a means to issue industrial development bonds used to help develop and promote recycling opportunities within Cherokee County. The RR Development Authority is governed by a board comprised of the County's elected Commissioners. The County has guaranteed the bonds issued by the RR Development Authority with the County's millage rate. The RR Development Authority is presented as a blended governmental fund type component unit as the sole purpose was to finance a recycling center within the County and the debt will be paid by the County upon default of the operations of the private recycling center. There are no separately issued financial statements available for the RR Development Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Atlanta Regional Commission (the "ARC") is considered a joint venture based upon the criteria in GASB Statement No. 14, as amended by GASB Statement No. 39. Under Georgia law, the County, in conjunction with other cities and counties in the 10-county metropolitan Atlanta, Georgia area, is a member of the ARC. Membership in a Regional Development Center (RDC) is required by the O.C.G.A 50/-8-34, which provides for the organization structure of the RDC in Georgia. The County paid dues in the amount of $245,710 to the ARC for the year ended December 31, 2010. The RDC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC. Complete financial statements of the RDC may be obtained from the Atlanta Regional Commission, 40 Courtland Street, N.E., Atlanta, Georgia 30303.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The ***Fire District Fund*** is used to account for monies received from a specific property tax levy and the operations of the fire departments within the County.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

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

The ***Special Purpose Local Option Sales Tax ("SPLOST") V Fund*** is used to account for proceeds of a special 1% local sales tax levy approved in 2004 for an authorized period of six years or the raising of not more than $200 million. The proceeds of this special tax are designated for a new administration building, courthouse renovation, transportation facilities and equipment, park and recreation facilities, library facilities, public safety facilities and equipment, emergency children's shelter, driver's license facility, conference center, renovations for Appalachian Tech College and senior center expansions.

The ***Recreation Bond Fund*** is used to account for proceeds of the 2009 recreation bonds and the recreation projects funded by the bonds.

The County reports the following major proprietary fund:

The ***Emergency Medical Services "EMS" Fund*** is used to account for the provision of emergency medical services to the residents of the County. Activities of the fund include administration, operations, and collection activities.

Additionally, the County reports the following fund types:

Internal service funds account for fleet management services and self funded casualty, liability, medical, dental, and workers' compensation claims.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. Constitutional officers use these funds to temporarily hold assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

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

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

As a general rule the effects of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other changes between the County's emergency medical services and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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

D. Cash, Cash Equivalents and Investments

Cash includes cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

D. Cash, Cash Equivalents and Investments (Continued)

State statutes authorize the County to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

Operating funds are currently invested in the Georgia Fund 1 Liquidity Pool; U.S. Government agencies; or maintained in demand deposit, savings, and public funds money market accounts with financial institutions.

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds and is regulated by the Georgia Office of Treasury and Fiscal Services. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the Securities and Exchange Commission (SEC) as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Due to the nature of the accounts, no amounts in this fund are categorized from an investment risk perspective.

E. Interfund Receivables and Payables

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

F. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. Inventories reported in the governmental funds are equally offset by a fund balance reserve, which indicates that they do not constitute "available, spendable resources" even though they are a component of net current assets.

Payments to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items. Prepaid items reported in the governmental funds are also equally offset by a fund balance reserve, which indicates that they do not constitute "available, spendable financial resources" even though they are a component of net current assets.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, not including infrastructure, are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. All infrastructure assets are capitalized, regardless of cost. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

G. Capital Assets (Continued)

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

Asset Category	Years
Buildings and improvements	50
Vehicles	5
Machinery and equipment	5-20
Infrastructure	25-50

H. Long-Term Obligations

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

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

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees can accumulate up to 320 hours of vacation leave for Regular employees and up to 480 hours of vacation leave for Fire District employees. The amount of sick leave that can be accumulated is unlimited. Upon separation, those employees who meet the County's retirement qualifications are entitled to receive 100% of their accumulated sick leave as a credit towards the Defined Benefit calculation. Those employees who do not meet the retirement qualifications forfeit unused accumulated sick leave upon separation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

I. Compensated Absences (Continued)

Employees are entitled to all accrued vacation leave upon separation, regardless if retirement qualifications are met. All vacation is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Interfund Transfers

Interfund reimbursement transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund reimbursement transactions are reported as transfers.

L. Management Estimates

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

NOTE 2. LEGAL COMPLIANCE - BUDGETS

A. Budgets and Budgetary Accounting

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

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

2. Public hearings are conducted to obtain taxpayer comments.

3. At a date no later than the first Board meeting of January, the budget is formally approved.

4. The County Manager is authorized to transfer amounts between accounts within any department. All supplemental appropriations must be enacted by the County Commission.

   The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level.

   Annual appropriated budgets are adopted for the General Fund, each Special Revenue Fund, each Capital Projects Fund, and the Debt Service Fund for the year ended December 31, 2010. Budget amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary appropriations made are reflected in the final budget numbers. Unencumbered appropriations lapse at year-end. The budgets were adopted on the GAAP basis of accounting.

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess of Expenditures over Appropriations

For the year ended December 31, 2010, material excesses (greater than $5,000) of expenditures over appropriations at the department level (the legal level of control), are as follows:

General Fund:		
County attorney	$	37,614
State court solicitor		13,606
Coroner		16,275
Juvenile court		87,452
Confiscated Assets Fund		37,224

These over expenditures resulted from unanticipated costs, and were funded by greater than anticipated revenues or available fund balance.

C. Deficit Fund Equity

The Multiple Grant Fund had a deficit fund balance of $30,959 at December 31, 2010. This deficit will be eliminated through the recognition of receivables currently unavailable for recognition under modified accrual accounting. The Insurance Premium Fund had a deficit fund balance of $583,630 at December 31, 2010. This deficit will be eliminated through match funds transferred from the General Fund. The Transportation Fund had a deficit fund balance of $169,558 at December 31, 2010. This deficit will be eliminated through increased user charges and transfers from the General Fund. The Parks and Recreation Fund had a deficit fund balance of $88,150 at December 31, 2010. This deficit will be eliminated through increased user charges. The CDBG Fund has a deficit fund balance of $15,498 at December 31, 2010. This will be offset through the recognition of receivables currently unavailable for recognition under modified accrual accounting and with future transfers from the General Fund.

NOTE 3. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $94,806,476 difference are as follows:

Bonds payable	$	(84,952,000)
Less: Underwriters discount		238,138
Add: Original issue premium		(1,598,882)
Bond issuance costs		1,100,358
Accrued interest payable		(1,005,368)
Capital leases payable		(534,350)
Claims payable		(1,669,195)
Landfill postclosure costs		(3,230,443)
Compensated absences		(3,125,981)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	(94,777,723)

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "the net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins is to increase net assets." The details of this $16,338,564 difference are as follows:

Donations	$	17,013,300
Disposals		(674,736)
Net adjustment to increase *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	16,338,564

NOTE 3. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this $19,450,960 difference are as follows:

Capital outlay	$	22,223,066
Depreciation expense		(41,674,026)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(19,450,960)

Another element of that reconciliation explains that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this $319,210 difference are as follows:

Issuance of bonds payable	$	(10,767,000)
Cost of issuance		134,853
Principal retirement of long-term debt		10,312,937
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(319,210)

NOTE 3. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

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

Another element of that reconciliation explains that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $994,105 difference are as follows:

Compensated absences	$	(279,983)
Insurance claims		(1,052,908)
Amortization expense		(49,367)
Landfill monitoring costs		353,895
Accrued interest payable		34,258
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(994,105)

NOTE 4. DEPOSITS AND INVESTMENTS

A. Credit Risk

State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County does not have an investment policy and therefore has elected to follow State statutes for limiting credit risk on investments.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

A. Credit Risk (Continued)

At December 31, 2010, the County had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	47 day weighted average	$ 37,654,159
Certificate of deposit	12 months	353,030
Total		$ 38,007,189

B. Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than one year.

C. Custodial credit risk – deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2010, the County had bank balances of $332,908 that were uninsured and uncollateralized.

NOTE 5. RECEIVABLES

Receivables at December 31, 2010, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Fire District	EMS
Receivables:			
Property taxes	$ 3,533,499	$ 1,590,110	$ -
Accounts	2,173,012	584	12,584,519
Gross receivables	5,706,511	1,590,694	12,584,519
Less allowance for uncollectibles	160,046	25,708	11,901,676
Net total receivables	$ 5,546,465	$ 1,564,986	$ 682,843

	Non-major Conference Center	Non-major Governmental Funds	Internal Service Funds
Receivables:			
Property taxes	$ -	$ 470,053	$ -
Accounts	450	1,093,416	183,523
Gross receivables	450	1,563,469	183,523
Less allowance for uncollectibles	-	7,542	-
Net total receivables	$ 450	$ 1,555,927	$ 183,523

The County bills and collects its own property taxes as well as taxes for the Cherokee County School System and some municipalities within the County. Collections of the County taxes and remittance of them to the General Fund, Fire District Fund, Debt Service Fund, the school system, and the State are accounted for in the Tax Commissioner Agency Fund. County property taxes are recognized when levied to the extent that they result in current receivables. Property taxes are levied in August based on assessed values on January 1st and are due on December 20th of each year. Collections of property taxes are made throughout the year. Liens may be attached to property for unpaid taxes at any time within three years after the due date.

The County also has a capital lease agreement with Ball Ground Recycling, LLC which requires monthly payments equal to 1/6 the interest payments and 1/12 the principal payments on the 2007 Series A & B bonds. The bonds were issued to contruct the recycling center which was subsequently leased to Ball Ground Recycling. As of December 31, 2010 the lease receivable carried by the County was $17,130,155.

NOTE 6. CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land and land improvement	$ 252,247,779	$ 6,691,241	$ 8,251,506	$ -	$ 267,190,526
Construction in progress	15,529,747	7,047,969	(11,082,113)	(7,151)	11,488,452
Total	267,777,526	13,739,210	(2,830,607)	(7,151)	278,678,978
Capital assets, being depreciated:					
Buildings and improvements	120,629,298	1,530,111	5,504	(81,555)	122,083,358
Infrastructure	948,366,439	21,894,325	2,454,839	-	972,715,603
Vehicles	23,019,513	1,454,407	-	(2,155,615)	22,318,305
Machinery and equipment	16,659,340	618,313	370,264	(645,583)	17,002,334
Total	1,108,674,590	25,497,156	2,830,607	(2,882,753)	1,134,119,600
Less accumulated depreciation for:					
Buildings	20,049,887	2,677,341	-	(4,183)	22,723,045
Infrastructure	219,347,717	35,497,982	-	-	254,845,699
Vehicles	15,517,434	2,233,683	-	(1,565,506)	16,185,611
Machinery and equipment	10,963,101	1,322,194	-	(630,807)	11,654,488
Total	265,878,139	41,731,200	-	(2,200,496)	305,408,843
Total capital assets, being depreciated, net	842,796,451	(16,234,044)	2,830,607	(682,257)	828,710,757
Governmental activities capital assets, net	$ 1,110,573,977	$ (2,494,834)	$ -	$ (689,408)	$ 1,107,389,735

Included in the beginning balance for accumulated depreciation is a restatement of $11,592,756 to correct the understatement of accumulated depreciation. The understatement was caused as the subsidiary ledger's accumulated depreciation not being reconciled with the general ledger.

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets for the Fleet Services Internal Service Fund totaling $725,864 with accumulated depreciation of $274,423 are included as part of the above totals for governmental activities at year-end.

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	$ 2,663,710	$ -	$ -	$ 2,663,710
Less accumulated depreciation for:				
Machinery and equipment	1,863,450	96,821	-	1,960,271
Total capital assets, net	$ 800,260	$ (96,821)	$ -	$ 703,439

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

Governmental activities:	
General government	$ 718,949
Judicial	360,198
Public safety	3,354,140
Public works	36,274,526
Health and welfare	117,794
Culture and recreation	814,874
Housing and development	33,545
Fleet Services Fund	57,174
Total depreciation expense - governmental activities	$ 41,731,200
Business-type activities:	
Emergency medical services	$ 96,821

The following table provides a summary of the County's investment in capital assets less any related debt.

Invested in Capital Assets Net of Related Debt	Governmental Activities	Business-type Activities	Total
Capital assets, nondepreciable	$ 278,678,978	$ -	$ 278,678,978
Capital assets, depreciable, net	828,710,757	703,439	829,414,196
Bonds payable	(68,695,881)	-	(68,695,881)
Capital leases payable	(534,350)	-	(534,350)
Unspent bond proceeds	20,523,924	-	20,523,924
	$ 1,058,683,428	$ 703,439	$ 1,059,386,867

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 5,651,393	$ 2,243,660	$ 222,300	$ 7,672,753
Construction in progress	11,513	62,064	11,513	62,064
Total	5,662,906	2,305,724	233,813	7,734,817
Capital assets, being depreciated:				
Machinery and equipment	1,870,395	-	-	1,870,395
Less accumulated depreciation for				
Machinery and equipment	374,080	93,520	-	467,600
Total capital assets, being depreciated, net	1,496,315	(93,520)	-	1,402,795
Total capital assets, net	$ 7,159,221	$ 2,212,204	$ 233,813	$ 9,137,612

C. Discretely Presented Component Unit – Library

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets, not being depreciated:					
Land	$ 1,062,000	$ -	$ -	$ -	$ 1,062,000
Construction in progress	17,567	191,997	-	-	209,564
Total	1,079,567	191,997	-	-	1,271,564
Capital assets, being depreciated:					
Buildings	7,634,112	-	-	-	7,634,112
Improvements	400,353	-	-	-	400,353
Vehicles	89,611	-	-	-	89,611
Furniture and equipment	730,186	19,970	-	(82,795)	667,361
Books and collections	5,118,505	406,193	-	(598,771)	4,925,927
Total	13,972,767	426,163	-	(681,566)	13,717,364
Less accumulated depreciation for:					
Buildings	2,498,299	190,854	-	-	2,689,153
Improvements	72,512	20,018	-	-	92,530
Vehicles	65,352	6,031	-	-	71,383
Furniture and equipment	518,534	39,496	-	(76,210)	481,820
Books and collections	3,266,475	506,226	-	(598,772)	3,173,929
Total	6,421,172	762,625	-	(674,982)	6,508,815
Total capital assets, being depreciated, net	7,551,595	(336,462)	-	(6,584)	7,208,549
Total capital assets, net	$ 8,631,162	$ (144,465)	$ -	$ (6,584)	$ 8,480,113

NOTE 6. CAPITAL ASSETS (Continued)

C. Discretely Presented Component Unit – Library (Continued)

The beginning balance of the Library's capital assets was restated by $4,428,503 to properly remove assets which are owned by the County and reported on the County's books.

D. Discretely Presented Component Unit – Department of Public Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Furniture and equipment	$ 1,086,627	$ 304,156	$ (24,069)	$ 1,366,714
Improvements	63,836	-	-	63,836
Total	1,150,463	304,156	(24,069)	1,430,550
Less accumulated depreciation for:				
Furniture and equipment	(736,691)	(130,113)	24,069	(842,735)
Improvements	(20,643)	(6,384)	-	(27,027)
Total	(757,334)	(136,497)	24,069	(869,762)
Total capital assets, being depreciated, net	393,129	167,659	-	560,788
Total capital assets, net	$ 393,129	$ 167,659	$ -	$ 560,788

NOTE 7. SHORT-TERM BORROWINGS

During the year, the County borrowed $1,405,900 in the form a tax anticipation note for the purpose of acquiring land. The interest rate on the tax anticipation note was 4.75%. As of December 31, 2010, the note was paid in full.

Total interest incurred and expensed on short-term borrowings for the period ended December 31, 2010, was $65,296.

The following is a summary of the tax anticipation note payable for the period ended December 31, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note	$ -	$ 1,405,900	$ (1,405,900)	$ -

NOTE 8. LONG-TERM DEBT

Primary Government

The following is a summary of long-term debt activity for the year ended December 31, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One year
Governmental activities					
Bonds payable	$ 84,165,000	$ 10,767,000	$ (9,980,000)	$ 84,952,000	$ 10,340,000
Less: discounts	(252,814)	-	14,676	(238,138)	-
Add: premiums	1,921,634	-	(322,752)	1,598,882	-
Bonds payable, net	85,833,820	10,767,000	(10,288,076)	86,312,744	10,340,000
Capital leases	867,287	-	(332,937)	534,350	132,942
Claims payable	616,287	2,431,785	(1,378,877)	1,669,195	1,251,896
Compensated absences	2,845,998	3,406,613	(3,097,877)	3,154,734	2,366,050
Landfill postclosure	3,584,338	-	(353,895)	3,230,443	282,084
Governmental activities Long-term liabilities	$ 93,747,730	$ 16,605,398	$ (15,451,662)	$ 94,901,466	$ 14,372,972

For governmental activities, claims payable, compensated absences and landfill postclosure costs are generally liquidated by the General Fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Compensated absences	$ 108,267	$ 114,230	$ 64,617	$ 157,880	$ 118,410
Business-type activities Long-term liabilities	$ 108,267	$ 114,230	$ 64,617	$ 157,880	$ 118,410

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Bonds Payable – The County has general obligation bonds payable and a solid waste disposal revenue bond outstanding at December 31, 2010, which includes the following individual issues:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
County administration and conference center	3.625 - 5.00%	7 years	2012	$ 20,000,000	$ 7,130,000
Transportation and parks & recreation - 2006A	4.16%	5 years	2011	6,200,000	1,340,000
Various construction projects - 2006B	4.59%	5 years	2011	3,200,000	699,000
Parks and recreation - 2009	2.00 - 5.00%	20 years	2029	45,000,000	42,055,000
Various construction projects - 2008	2.79%	5 years	2012	9,252,000	5,106,000
Resource recovery revenue bond - 2007A	4.65 - 5.00%	30 years	2037	13,205,000	13,205,000
Resource recovery revenue bond - 2007B	5.80%	15 years	2022	4,940,000	4,650,000
Recovery zone economic development bond - 2010	4.52%	15 years	2025	10,767,000	10,767,000
					84,952,000
	Plus unamortized premium				1,598,882
	Less unamortized discount				(238,138)
					86,312,744
	Less current maturities				10,340,000
					$ 75,972,744

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Bonds Payable (Continued): Annual debt service requirements on the general obligation bonds are as follows:

Fiscal year ending December 31,	Principal	Interest
2011	$ 10,340,000	$ 3,544,711
2012	9,180,000	3,225,641
2013	1,945,000	2,933,649
2014	2,350,000	2,869,291
2015	2,515,000	2,788,604
2016-2020	15,285,000	12,307,108
2021-2025	20,892,000	8,039,254
2026-2030	15,400,000	3,387,885
2031-2035	4,780,000	1,304,088
2036-2037	2,265,000	171,250
Total	$ 84,952,000	$ 40,571,481

In August 2010 the County issued $10,767,000 of recovery zone development bonds to provide current resources for parks and recreation projects. The bonds carry an interest rate of 4.52% and mature on April 1, 2025, with semi annual payments beginning on April 1, 2011.

Capital Leases. The County has entered into lease agreements as lessee for financing the acquisition of various emergency vehicles and land. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present values of the future minimum lease payments as of the date of their inceptions.

The cost of assets acquired under capital leases as of December 31, 2010, is $1,173,134 and consists of land only.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Capital Leases (Continued)

The County's total capital lease debt service requirements to maturity are as follows:

	Governmental Activities
Fiscal year ending December 31,	
2011	$ 151,374
2012	151,374
2013	151,374
2014	138,758
Total minimum lease payments	592,880
Less amount representing interest	58,530
Present value of minimum lease payments	$ 534,350

Landfill Postclosure Costs. The County owns and operated a landfill site which began operating in November 1976. State and Federal regulations required the County to close its landfill once its capacity was reached on July 1, 1994, and to monitor and maintain the site for 30 years after closure.

The County elected an early closure date of October 3, 1993, and for that reason was exempt from the 30-year rule, and was required to monitor the landfill for only five years. However, recent monitoring has detected levels of contamination higher than permissible, and engineers are in the process of assessing the corrective measures to be taken. At this time, engineering studies estimate postclosure costs of approximately $3,230,443 over the next 14 years. These costs are based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of December 31, 2010. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Unit – Development Authority

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable	$ 725,000	$ -	$ (725,000)	$ -	$ -
Less:					
Original Issue Discount	(4,673)	-	4,673	-	-
Underwriters Discount	(2,593)	-	2,593	-	-
Plus:					
Original Issue Premium	718	-	(718)	-	-
Bonds payable, net	718,452	-	(718,452)	-	-
Notes payable	5,461,282	1,992,000	(160,143)	7,293,139	168,924
Development Authority Long-term liabilities	$ 6,179,734	$ 1,992,000	$ (878,595)	$ 7,293,139	$ 168,924

In 2009, the Development Authority entered into a note agreement to finance land development in the County. Monthly payments on the note are $37,369 with a balloon payment of $4,655,743 on the maturity date of September 1, 2014. The interest rate on the note is 5.35%.

On November 30, 2010, the Development Authority entered into a note agreement to finance land development in the County. Monthly payments on the note is $11,604 with two balloon payments of $809,363 and $815,540 due on December 1, 2015 and on the maturity date of January 1, 2016, respectively. The interest rate on the note is 3.55%.

The Authority's debt service requirements to maturity on the notes are as follows:

Fiscal year ending December 31,	Principal	Interest
2011	$ 168,924	$ 279,809
2012	319,606	409,834
2013	262,717	324,963
2014	4,843,532	250,414
2015	882,820	58,994
2016	815,540	2,413
Total	$ 7,293,139	$ 1,326,427

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2010, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	SPLOST V Fund	$ 3,140,936
General Fund	EMS Fund	173,292
General Fund	Internal service funds	270,361
General Fund	Nonmajor governmental funds	1,040,800
		4,625,389
Fire Fund	Nonmajor governmental funds	887,230
SPLOST V Fund	General Fund	1,896
SPLOST V Fund	Nonmajor governmental funds	179
		2,075
Nonmajor governmental funds	General Fund	17
	Total	$ 5,514,711

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds as SPLOST projects are advance funded by the General Fund and the expenditures are reported in SPLOST through interfund payables, and SPLOST outlays were determined to be unallowable costs and a receivable was recorded to reimburse the cash of the SPLOST Fund.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Transfer In	Transfer Out	Amount
Governmental funds:		
General Fund	Nonmajor governmental funds	$ 848,503
Nonmajor governmental funds	General fund	2,540,175
Nonmajor governmental funds	Nonmajor governmental funds	101,038
Nonmajor governmental funds	SPLOST V Fund	8,584,510
		11,225,723
Enterprise funds:		
EMS fund	Nonmajor governmental funds	350,000
Nonmajor business-type	Nonmajor governmental funds	54,491
	Total	$ 12,478,717

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) move SPLOST revenues to the Debt Service Fund to comply with debt service requirements, and (4) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. DEFINED BENEFIT PENSION PLAN

Plan Description – Primary Government

The County contributes to the Association of County Commissioners of Georgia (ACCG) Restated Pension Plan for Cherokee County employees (the Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan, administered by GEBCorp. The ACCG, in its role as Plan sponsor, has the sole authority to amend the provision of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. ACCG issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description – Primary Government (Continued)

The Plan, which is administered by GEBCorp, covers all full-time employees of the County as of January 1, 2010. Participant counts as of January 1, 2010, (the most recent valuation date) are shown below:

Retirees and beneficiaries receiving benefits	186
Terminated plan participants entitled to future benefits	419
Active employees participating in the Plan	1,180
Total number of Plan participants	1,785

The County's payroll for employees covered by the Plan as of January 1, 2010 (the most recent actuarial valuation date) was $51,996,193 (based on covered earnings of the preceding year).

Funding Policy

The County is required to contribute an actuarially determined amount annually to the Plan's trust; the current rate is 6.40% of covered payroll. The contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. The Plan does not require plan participants to contribute to the plan, however, the County requires participants to contribute 5.0% of their gross salary.

Annual Pension Cost

The County's annual pension cost and net pension obligation for the pension plan for the year beginning January 1, 2010, (the most recent actuarial valuation date) are as follows:

Derivation of Annual Pension Cost		
Annual Required Contribution	$	3,351,779
Interest on Net Pension Obligation		(356,569)
Amortization of Net Pension Obligation		381,522
Annual Pension Cost	$	3,376,732

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Annual Pension Cost (Continued)

Derivation of Net Pension Obligation (Asset)		
Net Pension (Asset) Obligation as of Prior Year	$	(4,652,425)
Annual Pension Cost		3,376,732
Actual Contributions to Plan		(3,101,011)
Decrease in Net Pension Asset		275,721
Net Pension (Asset) Obligation as of End of Year	$	(4,376,704)

Basis of Valuation	
Current Valuation Date	January 1, 2010
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	4.0 - 6.5% (based on age)
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)
Amortization Period	30 Years

The funding policy for the Plan is to contribute an amount equal to the recommended contribution as determined by the Plan's actuary. The recommended contribution was determined as part of the January 1, 2010 actuarial valuation. The chart below shows the annual pension cost for the current year and prior two years along with the percentage actually contributed by the City.

Trend Information for The Plan

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension (Asset) Obligation
1/1/10	$ 3,376,732	3,101,011	92 %	$ (4,376,704)
1/1/09	2,972,060	3,577,600	120	(4,652,425)
1/1/08	2,853,258	3,634,484	127	(4,046,885)

NOTE 10. DEFINED BENEFIT PENSION PLAN (Continued)

As of the most recent valuation date, January 1, 2010, the funded status of the Plan was as follows:

Schedule of Funding Progress (Unaudited)

Fiscal Year Ending	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Acturarial Accrued Liability as a Perctenatage of Covered Payroll
12/31/09	$ 37,937,888	$ 57,191,165	$ 19,253,277	66.3 %	$ 50,960,650	37.8 %

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

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2010.

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN

Prior to January 1, 2003, the County offered its employees a defined contribution money purchase pension plan, a single employer plan, in accordance with Internal Revenue Code Section 401 (a). Effective January 1, 2003 this Plan was closed to new enrollees. The Plan was established by the Cherokee County Board of Commissioners and is administered by The Hartford. It is available to all full-time employees who work more than 1,716 hours per year. Employees are 100% vested in the County's contributions after five years of service. The County has the authority to amend the Plan provisions. At December 31, 2010, there were 14 active participants in the Plan. The contributions are not available to Plan participants until termination, retirement, death, disability. Contribution requirements are established and may be amended by the Cherokee County Board of Commissioners. The County contributes 4% of eligible salary to the 401 (a) Plan and a 50% matching contribution for every employee dollar contributed to the deferred compensation plan (Section 457 plan) up to 3% of pay. Employees are not required to contribute. For the year ending December 31, 2010, the County’s contribution to the Plan was $34,582. There are no administrative fees charged directly to the Plan or participants. No publicly available financial report that includes financial statements and required supplementary information is issued.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

The Cherokee County Retirement Pension Insurance Plan (the "OPEB Plan") is a single-employer defined benefit post-employment health care plan or other post employment benefit (OPEB) plan.

The Plan provides post-employment health benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan, administered by GEBCorp. The ACCG, in its role as Plan sponsor, has the sole authority to amend the provision of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. ACCG issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

The Plan, which is administered by GEBCorp, covers all full-time employees of the County as of January 1, 2003. Participant counts as of January 1, 2011, (the most recent valuation date) are shown below.

General

The following brief description of the OPEB plan terms is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

Retirement Options/Benefit Provisions

Eligible retirees and former employees are offered the same health and prescription drug coverage as active employees. Retirees contribute an average $390 per month towards the actuarially calculated monthly rates. The County contributes the remainder of the rates.

Eligibility

Employees must be a minimum age of 55 years with 5 or more years of service in order to receive benefits. They also may meet the requirements by having age plus service equal 70 years or have at least 30 years of service. Eligible employees can elect to receive coverage for the spouses.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (Continued)

A. Plan Description (Continued)

Fund Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of January 2, 2011.

Active employees (fully eligible)	92
Active employees (not fully eligible)	1,054
Retirees	45
Total number of Plan participants	1,191

B. Contributions

The schedule below shows the annual OPEB cost for the current year and prior year along with the percentage actually contributed by the City.

Schedule of Employer Cost and Contributions

Fiscal Year Beginning	Annual Required Contribution	Actual County Contribution	Percentage of ARC Contributed	Net OPEB Obligation
1/1/10	$ 443,000	134,233	30.3 %	$ 1,112,591
1/1/09	443,000	82,176	18.5	803,824
1/1/08	443,000	-	-	443,000

C. Schedule of Funding Progress

As of the most recent valuation date, January 1, 2011, the funded status of the OPEB Plan was as follows:

Actual Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL a Perctenatage of Covered Payroll
1/1/11	$ -	$ 2,874,000	$ 2,874,000	- %	$ -	- %

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

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2008. The assumptions used in the December 31, 2008 actuarial valuations are as follows:

Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Market Value of Assets
Assumed Rate of Return on Investments	4.50%
Medical Cost Trend Rate	8.00%
Ultimate Medical Cost Trend Rate	5.00%
Year of Ultimate Trend Rate	2017
Amortization Method	Level dollar, closed
Remaining Amortization Period	30 years
Payroll Inflation Rate	3.50%

NOTE 13. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County is partially self-insured for workers' compensation claims. This self-insurance plan is described below. The City has purchased insurance for all other risks of loss. Losses have not exceeded insurance coverage in the past three years.

The County is partially self-insured for workers' compensation claims. Individual limits for County payments are $300,000 per claim, except for claims related to public safety, for which the County pays up to $350,000 per claim. After these limits are met, private insurance covers the claims. The County has entered into a contract with a third party to administer the claims. This activity is recorded in the General Fund. The following describes the activity related to these claims based on actual claims presented after year-end and historical experience. Based on historical payouts of the claims, management has determined that the entire liability would be paid within one year and is therefore shown as due within one year on the Statement of Net Assets.

NOTE 13. RISK MANAGEMENT (CONTINUED)

Changes in the balances of claims liabilities during the current year and prior two years are as follows:

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2010	$ 616,287	2,431,785	1,378,877	$ 1,669,195
2009	856,760	475,360	715,833	616,287
2008	433,847	834,086	411,173	856,760

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at December 31, 2010, the County has contractual commitments on uncompleted contracts of approximately $1,076,078.

Litigation:

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

Grant Contingencies:

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

NOTE 15. HOTEL/MOTEL LODGING TAX

The County has levied a 6% lodging tax. During the year ended December 31, 2010, the County spent $89,491 to promote tourism, conventions and trade shows. This is 100% of the tax receipts to be expended for these purposes under the Official Code of Georgia Annotated 48-13-51. The County complies with the requirement under this law.

NOTE 16. CHANGE IN REPORTING ENTITY

During the current year, the County determined that the activities of parks and recreation, currently reported in the General Fund, would be more appropriately reported in a special revenue fund. This decision resulted in changes to the beginning fund balance of the General Fund as follows:

	General Fund
Fund balance, as previously reported	$ 29,636,830
Breakout of the Park and Recreation Fund	298,484
Fund balance, as restated	$ 29,935,314

NOTE 17. RESTATEMENT OF PRIOR YEAR BALANCES

The County has determined that a restatement of beginning net assets of governmental activities is required to correct the reporting of beginning accumulated depreciation of governmental capital assets. This restatement resulted in changes to beginning net assets of the governmental activities as follows:

	Governemntal Activities
Net assets, as previously reported	$ 1,141,909,295
Increase in accumulated depreciation beginning balance	(11,592,756)
Net assets, as restated	$ 1,130,316,539

REQUIRED SUPPLEMENTARY INFORMATION

CHEROKEE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Defined Benefit Pension Plan

Fiscal Year End	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
12/31/2009	$ 37,937,888	$ 57,191,165	$ 19,253,277	66.3%	$ 50,960,650	37.8%
12/31/2008	33,010,231	52,550,994	19,540,763	62.8%	48,244,975	40.5%
12/13/2007	29,267,431	45,166,123	15,898,692	64.8%	40,510,475	39.2%
12/31/2006	23,133,511	37,400,654	14,267,143	61.9%	35,569,824	40.1%
12/31/2005	17,905,484	34,953,124	17,047,640	51.2%	35,851,014	47.6%
12/31/2004	13,838,711	29,948,303	16,109,592	46.2%	33,443,204	48.2%

Note: See assumptions used for the Schedule of Funding Progress in Note 10 to the financial statements.

Other Post-Employment Benefits Plan

Fiscal Year End	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
12/31/2010	$ -	$ 2,874,000	$ 2,874,000	0.0%	$ -	0.0%
12/31/2008	-	3,452,000	3,452,000	0.0%	-	0.0%

Note: See assumptions used for the Schedule of Funding Progress in Note 12 to the financial statements.

CHEROKEE COUNTY, GEORGIA

MAJOR GOVERNMENTAL FUND

Capital Projects Funds

Special Local Option Sales Tax V

To account for proceeds of a special 1% local sales tax levy approved in 2004 for an authorized period of five years or the raising of not more than $200 million. The proceeds of this special tax are designated for a new administration building, courthouse renovation, transportation facilities and equipment, park and recreation facilities, library facilities, public safety facilities and equipment, emergency children's shelter, driver's license facility, conference center, renovations for Appalachian Tech College and senior center expansions.

Recreation Bond

To account for proceeds of park bonds issued in 2009 and 2010 to fund the various park and recreation projects funded by the proceeds.

CHEROKEE COUNTY, GEORGIA

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	SPLOST V			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Sales tax	$ 27,157,433	$ 28,187,433	$ 27,591,845	$ (595,588)
Intergovernmental	575,200	986,239	784,535	(201,704)
Investment income	-	-	13,930	13,930
Other revenues	47,073	62,301	78,107	15,806
Total revenues	27,779,706	29,235,973	28,468,417	(767,556)
EXPENDITURES				
Current				
Public works	3,287,901	3,550,829	4,266,497	(715,668)
Culture and recreation	100,000	100,000	300,000	(200,000)
Housing and development	1,350,000	1,350,000	1,208,518	141,482
Capital outlay	10,029,000	11,470,039	7,619,266	3,850,773
Intergovernmental	5,982,121	5,982,121	6,317,565	(335,444)
Debt service				
Principal	-	-	211,924	(211,924)
Interest and fiscal charges	-	-	10,821	(10,821)
Total expenditures	20,749,022	22,452,989	19,934,591	2,518,398
Excess of revenues over expenditures	7,030,684	6,782,984	8,533,826	1,750,842
OTHER FINANCING SOURCES (USES)				
Transfers in	515,000	515,000	-	(515,000)
Transfers out	(7,545,685)	(7,545,685)	(8,584,510)	(1,038,825)
Total other financing sources (uses)	(7,030,685)	(7,030,685)	(8,584,510)	(1,553,825)
Net change in fund balances	(1)	(247,701)	(50,684)	197,017
FUND BALANCES, beginning of year	52,682	52,682	52,682	-
FUND BALANCES (DEFICIT), end of year	$ 52,681	$ (195,019)	$ 1,998	$ 197,017

CHEROKEE COUNTY, GEORGIA

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Recreation Bonds			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Investment income	$ -	$ -	$ 58,146	$ 58,146
Total revenues	-	-	58,146	58,146
EXPENDITURES				
Current				
Culture and recreation	3,880,136	3,881,378	191,365	3,690,013
Capital outlay	23,737,469	23,755,564	11,525,874	12,229,690
Debt service				
Cost of issuance	-	-	134,853	(134,853)
Total expenditures	27,617,605	27,636,942	11,852,092	15,784,850
Excess (deficiency) of revenues over (under) expenditures	(27,617,605)	(27,636,942)	(11,793,946)	15,842,996
OTHER FINANCING SOURCES				
Issuance of bonds	-	-	10,767,000	10,767,000
Total other financing sources	-	-	10,767,000	10,767,000
Net change in fund balances	(27,617,605)	(27,636,942)	(1,026,946)	26,609,996
FUND BALANCES, beginning of year	29,160,007	29,160,007	29,160,007	-
FUND BALANCES, end of year	$ 1,542,402	$ 1,523,065	$ 28,133,061	$ 26,609,996

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Sheriff's Commissary	To account for the proceeds of jail inmate commissary sales.
Law Library	To provide for the operation and maintenance of the County's law library.
Senior Services	To account for funds received from various State and local agencies to be expended for social welfare programs, including services for senior citizens.
Confiscated Assets	To account for confiscated cash seizures by Cherokee County Law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel.
Multiple Grant	To account for grant monies received from various Federal and State agencies.
Drug Abuse and Treatment	To account for collection of penalty assessments in certain drug related court cases. Proceeds may be expended only for drug abuse treatment and education programs.
Animal Services	To account for activities of the animal shelter.
DUI Court	To account for the coordination of substance abuse intervention with judicial support.
Victim/Witness	To account for the 4% fee added to Court fines to benefit the victims of crime and their families.
Hotel/Motel	To account for monies received for tourism promotions within the County.
Insurance Premium	To account for the insurance premium tax and the expenditures related to the tax.
Transportation	To account for the revenues and operating expenses of the County's public transportation system.
Parks and Recreation	To account for the charges for services and activities of the County's parks and recreation department.
DA Confiscated Assets	To account for District Attorney's (DA) share of confiscated cash seizures by Cherokee County Law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel.

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

CDBG — To account for the community development block grant receipts and the expenditures related to the grant.

Jail — To account for collection of penalty assessments in certain court cases. Proceeds are restricted for construction, operation, and staffing of County correctional and detention center.

E-911 — To account for the activities of the County's E-911 system. Financing is provided by program charges. Revenues are expended for system operations and capital assets.

Debt Service Fund

Debt Service — To account for the accumulation of resources for payment of the General Obligation Bonds.

Capital Projects Funds

Special Local Option Sales Tax IV — To account for the proceeds of a special 1% sales tax levy approved in 2003 for an authorized period of five years or the raising of not more than $50 million. The proceeds of this special tax are designated for road, street and bridge construction, and the construction of five multi-use public centers.

Resource Recovery Development Authority — To account for proceeds of an industrial development bond used to help promote recycling opportunities within the County and the debt service related to the repayment of the bond.

Impact Fees — To account for monies collected from a new development based on that development's fair share of the cost to provide additional facilities in the following categories: public roads, libraries, public safety, fire protection, and parks.

CHEROKEE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2010

	Special Revenue									
ASSETS	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Hotel Motel
Cash	$ 45,667	$ 167,551	$ 20,255	$ 340,545	$ -	$ 124,463	$ 27,995	$ 85,736	$ 12,135	$ -
Investments	-	397,974	-	-	-	368,403	-	-	-	-
Property taxes receivable, net of allowance	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net of allowance	37,614	-	21,721	-	-	-	2,511	-	7,716	6,659
Due from other governments	-	-	-	-	602,763	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Prepaids	-	-	100	-	-	-	-	-	-	-
Total assets	$ 83,281	$ 565,525	$ 42,076	$ 340,545	$ 602,763	$ 492,866	$ 30,506	$ 85,736	$ 19,851	$ 6,659
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	$ -	$ -	$ 24,809	$ -	$ 340,837	$ -	$ 5,350	$ 16,906	$ -	$ -
Accrued liabilities	-	-	12,663	-	10,300	-	11,059	1,296	895	-
Due to other funds	-	-	-	-	213,927	-	-	-	-	6,659
Deferred revenue	6,493	-	-	-	68,658	-	-	-	-	-
Total liabilities	6,493	-	37,472	-	633,722	-	16,409	18,202	895	6,659
FUND BALANCES (DEFICIT)										
Reserved for:										
Prepaids	-	-	100	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
E-911 wireless	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated (deficit)	76,788	565,525	4,504	340,545	(30,959)	492,866	14,097	67,534	18,956	-
Total fund balance (deficit)	76,788	565,525	4,604	340,545	(30,959)	492,866	14,097	67,534	18,956	-
Total liabilities and fund balances	$ 83,281	$ 565,525	$ 42,076	$ 340,545	$ 602,763	$ 492,866	$ 30,506	$ 85,736	$ 19,851	$ 6,659

CHEROKEE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2010

	Special Revenue								Capital Project			
ASSETS	Insurance Premium	Transportation	Parks and Recreation	DA Confiscated Assets	CDBG	Jail	E-911	Debt Service	SPLOST IV	Resource Recovery Development Authority	Impact Fees	Total
Cash	$ -	$ -	$ 81,667	$ 70,822	$ -	$ 207,049	$ 12,804	$ 6,387,699	$ 1,062,566	$ -	$ 170,156	$ 8,817,110
Investments	59	-	-	-	-	1,910,766	1,026,034	1,548,875	240,423	-	3,446,281	8,938,815
Property taxes receivable, net of allowance	-	-	-	-	-	-	-	462,511	-	-	-	462,511
Accounts receivable, net of allowance	4,060	-	40,502	-	192,546	12,565	765,828	-	-	-	1,694	1,093,416
Due from other governments	-	62,317	-	-	-	-	-	-	-	-	-	665,080
Due from other funds	-	-	-	-	-	-	-	-	17	-	-	17
Prepaids	-	-	-	-	-	-	-	-	-	-	-	100
Total assets	$ 4,119	$ 62,317	$ 122,169	$ 70,822	$ 192,546	$ 2,130,380	$ 1,804,666	$ 8,399,085	$ 1,303,006	$ -	$ 3,618,131	$ 19,977,049
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Accounts payable	$ 99,739	$ 29,797	$ 24,840	$ -	$ 134,817	$ -	$ 68,343	$ -	$ -	$ -	$ -	$ 745,438
Accrued liabilities	84,551	7,083	24,180	-	2,516	-	59,385	-	45	-	-	213,973
Due to other funds	403,459	194,995	161,299	-	60,640	-	-	887,230	-	-	-	1,928,209
Deferred revenue	-	-	-	-	10,071	-	-	243,871	-	-	-	329,093
Total liabilities	587,749	231,875	210,319	-	208,044	-	127,728	1,131,101	45	-	-	3,216,713
FUND BALANCES (DEFICIT)												
Reserved for:												
Prepaids	-	-	-	-	-	-	-	-	-	-	-	100
Debt service	-	-	-	-	-	-	-	7,267,984	-	-	-	7,267,984
E-911 wireless	-	-	-	-	-	-	1,676,938	-	-	-	-	1,676,938
Capital outlay	-	-	-	-	-	-	-	-	1,302,961	-	-	1,302,961
Unreserved, undesignated (deficit)	(583,630)	(169,558)	(88,150)	70,822	(15,498)	2,130,380	-	-	-	-	3,618,131	6,512,353
Total fund balance (deficit)	(583,630)	(169,558)	(88,150)	70,822	(15,498)	2,130,380	1,676,938	7,267,984	1,302,961	-	3,618,131	16,760,336
Total liabilities and fund balances	$ 4,119	$ 62,317	$ 122,169	$ 70,822	$ 192,546	$ 2,130,380	$ 1,804,666	$ 8,399,085	$ 1,303,006	$ -	$ 3,618,131	$ 19,977,049

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Special Revenue									
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Hotel Motel
REVENUES										
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Alcoholic beverage taxes				-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-	89,491
Intergovernmental	-	-	540,804	-	1,562,339	-	-	-	-	-
Fines and forfeitures	-	139,631	-	396,037	-	159,808	-	204,046	179,733	-
Charges for services	290,272	3,164	2,063	-	-	-	110,226	-	-	-
License and permits	-	-	-	-	-	-	-	-	-	-
Investment income	96	9,919	-	589	-	784	-	-	-	-
Contributions	-	-	23,747	-	10,000	-	27,365	9,520	-	-
Other	-	-	2,575	-	13,626	-	-	-	-	-
Total revenues	290,368	152,714	569,189	396,626	1,585,965	160,592	137,591	213,566	179,733	89,491
EXPENDITURES										
Current										
General governmental	-	-	-	-	-	-	-	-	-	-
Judicial	-	64,963	-	-	314,693	-	-	-	71,389	-
Public safety	313,618	-	-	417,932	535,233	-	956,982	321,805	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	1,193,948	-	378,581	-	-	-	120,000	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	496,712	-	-	-	-	35,000
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Cost of issuance	-	-	-	-	-	-	-	-	-	-
Total expenditures	313,618	64,963	1,193,948	417,932	1,725,219	-	956,982	321,805	191,389	35,000
Excess (deficiency) of revenues over (under) expenditures	(23,250)	87,751	(624,759)	(21,306)	(139,254)	160,592	(819,391)	(108,239)	(11,656)	54,491
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	576,060	-	108,438	-	794,935	101,038	-	-
Transfers out	-	-	-	-	-	(101,038)	-	-	-	(54,491)
Total other financing sources (uses)	-	-	576,060	-	108,438	(101,038)	794,935	101,038	-	(54,491)
Net change in fund balances	(23,250)	87,751	(48,699)	(21,306)	(30,816)	59,554	(24,456)	(7,201)	(11,656)	-
FUND BALANCES (DEFICIT), beginning of year, restated	100,038	477,774	53,303	361,851	(143)	433,312	38,553	74,735	30,612	-
FUND BALANCES (DEFICIT), end of year	$ 76,788	$ 565,525	$ 4,604	$ 340,545	$ (30,959)	$ 492,866	$ 14,097	$ 67,534	$ 18,956	$ -

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Special Revenue								Capital Project			
	Insurance Premium	Transportation	Parks and Recreation	DA Confiscated Assets	CDBG	Jail	E-911	Debt Service	SPLOST IV	Resource Recovery Development Authority	Impact Fees	Total
REVENUES												
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,913,496	$ -	$ -	$ -	$ 4,913,496
Alcoholic beverage taxes	-	-	899,933	-	-	-	-	-	-	-	-	899,933
Other taxes	5,686,599	-	-	-	-	-	-	-	-	-	-	5,776,090
Intergovernmental	-	747,523	-	-	709,384	-	-	-	-	-	-	3,560,050
Fines and forfeitures	-	-	-	20,793	-	403,954	-	-	-	-	-	1,504,002
Charges for services	13,516	351,888	1,098,694	-	-	-	4,123,652	-	-	-	108,910	6,102,385
License and permits	427,401	-	-	-	-	-	-	-	-	-	-	427,401
Investment income	339	-	42	-	-	7,366	3,111	-	2,431	-	10,928	35,605
Contributions	-	-	-	-	-	-	-	-	-	-	-	70,632
Other	13,120	-	17,385	3,134	-	-	581	-	-	1,216,143	-	1,266,564
Total revenues	6,140,975	1,099,411	2,016,054	23,927	709,384	411,320	4,127,344	4,913,496	2,431	1,216,143	119,838	24,556,158
EXPENDITURES												
Current												
General governmental	230,278	-	-	-	-	-	-	-	-	-	134,672	364,950
Judicial	-	-	-	-	-	-	-	-	-	-	-	451,045
Public safety	-	-	-	6,800	-	198,956	4,186,312	-	-	-	-	6,937,638
Public works	3,733,568	-	-	-	-	-	-	-	-	-	-	3,733,568
Health and welfare	1,991,217	1,101,868	-	-	-	-	-	-	-	-	-	4,785,614
Culture and recreation	-	-	2,852,470	-	-	-	-	-	-	-	-	2,852,470
Housing and development	-	-	-	-	633,941	-	-	-	-	-	-	1,165,653
Capital outlay	-	-	-	-	-	-	-	-	12,520	-	-	12,520
Debt service												
Principal	-	-	-	-	-	-	-	9,690,000	-	290,000	-	9,980,000
Interest	-	-	-	-	-	-	-	2,575,058	-	926,143	-	3,501,201
Cost of issuance	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	5,955,063	1,101,868	2,852,470	6,800	633,941	198,956	4,186,312	12,265,058	12,520	1,216,143	134,672	33,784,659
Excess (deficiency) of revenues over (under) expenditures	185,912	(2,457)	(836,416)	17,127	75,443	212,364	(58,968)	(7,351,562)	(10,089)	-	(14,834)	(9,228,501)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	1,046,750	13,992	-	-	-	8,584,510	-	-	-	11,225,723
Transfers out	(905,158)	-	-	(18,345)	-	(275,000)	-	-	-	-	-	(1,354,032)
Total other financing sources (uses)	(905,158)	-	1,046,750	(4,353)	-	(275,000)	-	8,584,510	-	-	-	9,871,691
Net change in fund balances	(719,246)	(2,457)	210,334	12,774	75,443	(62,636)	(58,968)	1,232,948	(10,089)	-	(14,834)	643,190
FUND BALANCES (DEFICIT), beginning of year, restated	135,616	(167,101)	(298,484)	58,048	(90,941)	2,193,016	1,735,906	6,035,036	1,313,050	-	3,632,965	16,117,146
FUND BALANCES (DEFICIT), end of year	$ (583,630)	$ (169,558)	$ (88,150)	$ 70,822	$ (15,498)	$ 2,130,380	$ 1,676,938	$ 7,267,984	$ 1,302,961	$ -	$ 3,618,131	$ 16,760,336

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE AND DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Sheriff's Commissary			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	-	-	-	-
Charges for services	300,000	300,000	290,272	(9,728)
Investment income	-	-	96	96
Contributions	-	-	-	-
Other	-	13,618	-	(13,618)
Total revenues	300,000	313,618	290,368	(23,250)
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	300,000	313,618	313,618	-
Health and welfare	-	-	-	-
Total expenditures	300,000	313,618	313,618	-
Excess (deficiency) of revenues over expenditures	-	-	(23,250)	(23,250)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	-	(23,250)	(23,250)
FUND BALANCES, beginning of year	100,038	100,038	100,038	-
FUND BALANCES, end of year	$ 100,038	$ 100,038	$ 76,788	$ (23,250)

Law Library				Senior Services			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 597,583	$ 618,810	$ 540,804	$ (78,006)
320,000	320,000	139,631	(180,369)	-	-	-	-
-	-	3,164	3,164	-	-	2,063	2,063
-	-	9,919	9,919	-	-	-	-
-	-	-	-	-	-	23,747	23,747
-	-	-	-	50,000	50,000	2,575	(47,425)
320,000	320,000	152,714	(167,286)	647,583	668,810	569,189	(99,621)
320,000	320,000	64,963	255,037	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,223,643	1,258,971	1,193,948	65,023
320,000	320,000	64,963	255,037	1,223,643	1,258,971	1,193,948	65,023
-	-	87,751	87,751	(576,060)	(590,161)	(624,759)	(34,598)
-	-	-	-	576,060	578,339	576,060	(2,279)
-	-	-	-	576,060	578,339	576,060	(2,279)
-	-	87,751	87,751	-	(11,822)	(48,699)	(36,877)
477,774	477,774	477,774	-	53,303	53,303	53,303	-
$ 477,774	$ 477,774	$ 565,525	$ 87,751	$ 53,303	$ 41,481	$ 4,604	$ (36,877)

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE AND DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Confiscated Assets			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	275,000	300,342	396,037	95,695
Investment income	-	-	589	589
Contributions	-	-	-	-
Other	-	80,366	-	(80,366)
Total revenues	275,000	380,708	396,626	15,918
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	275,000	380,708	417,932	(37,224)
Health and welfare	-	-	-	-
Housing and development	-	-	-	-
Total expenditures	275,000	380,708	417,932	(37,224)
Excess (deficiency) of revenues over expenditures	-	-	(21,306)	(21,306)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(21,306)	(21,306)
FUND BALANCES (DEFICIT), beginning of year	361,851	361,851	361,851	-
FUND BALANCES (DEFICIT), end of year	$ 361,851	$ 361,851	$ 340,545	$ (21,306)

Multiple Grant				Drug Abuse Treatment			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 2,554,650	$ 3,142,897	$ 1,562,339	$ (1,580,558)	$ -	$ -	$ -	$ -
-	-	-	-	155,000	155,000	159,808	4,808
-	-	-	-	-	-	784	784
-	10,000	10,000	-	-	-	-	-
-	14,674	13,626	(1,048)	-	-	-	-
2,554,650	3,167,571	1,585,965	(1,581,606)	155,000	155,000	160,592	5,592
407,305	409,875	314,693	95,182	-	-	-	-
197,190	696,137	535,233	160,904	-	-	-	-
327,795	450,202	378,581	71,621	53,962	53,962	-	53,962
1,746,425	1,746,425	496,712	1,249,713	-	-	-	-
2,678,715	3,302,639	1,725,219	1,577,420	53,962	53,962	-	53,962
(124,065)	(135,068)	(139,254)	(4,186)	101,038	101,038	160,592	59,554
124,065	124,065	108,438	(15,627)	-	-	-	-
-	-	-	-	(101,038)	(101,038)	(101,038)	-
124,065	124,065	108,438	(15,627)	(101,038)	(101,038)	(101,038)	-
-	(11,003)	(30,816)	(19,813)	-	-	59,554	59,554
(143)	(143)	(143)	-	433,312	433,312	433,312	-
$ (143)	$ (11,146)	$ (30,959)	$ (19,813)	$ 433,312	$ 433,312	$ 492,866	$ 59,554

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE AND DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Animal Services			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ -	$ -	$ -
Charges for services	124,000	124,000	110,226	(13,774)
Contributions	20,000	20,000	27,365	7,365
Total revenues	144,000	144,000	137,591	(6,409)
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	938,935	957,196	956,982	214
Health and welfare	-	-	-	-
Total expenditures	938,935	957,196	956,982	214
Deficiency of revenues over expenditures	(794,935)	(813,196)	(819,391)	(6,195)
OTHER FINANCING SOURCES				
Transfers in	794,935	794,935	794,935	-
Total other financing sources	794,935	794,935	794,935	-
Net change in fund balances	-	(18,261)	(24,456)	(6,195)
FUND BALANCES, beginning of year	38,553	38,553	38,553	-
FUND BALANCES, end of year	$ 38,553	$ 20,292	$ 14,097	$ (6,195)

DUI Court				Victim/Witness			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 225,000	$ 225,000	$ 204,046	$ (20,954)	$ 209,936	$ 209,936	$ 179,733	$ (30,203)
-	-	-	-	-	-	-	-
105,000	105,000	9,520	(95,480)	-	-	-	-
330,000	330,000	213,566	(116,434)	209,936	209,936	179,733	(30,203)
-	-	-	-	89,936	90,425	71,389	19,036
431,038	432,088	321,805	110,283	-	-	-	-
-	-	-	-	120,000	120,000	120,000	-
431,038	432,088	321,805	110,283	209,936	210,425	191,389	19,036
(101,038)	(102,088)	(108,239)	(6,151)	-	(489)	(11,656)	(11,167)
101,038	101,038	101,038	-	-	-	-	-
101,038	101,038	101,038	-	-	-	-	-
-	(1,050)	(7,201)	(6,151)	-	(489)	(11,656)	(11,167)
74,735	74,735	74,735	-	30,612	30,612	30,612	-
$ 74,735	$ 73,685	$ 67,534	$ (6,151)	$ 30,612	$ 30,123	$ 18,956	$ (11,167)

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE AND DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Hotel/Motel Tax			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Other taxes	$ 80,000	$ 89,491	$ 89,491	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
License and permits	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	80,000	89,491	89,491	-
EXPENDITURES				
Current				
General governmental	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Housing and development	35,000	35,000	35,000	-
Total expenditures	35,000	35,000	35,000	-
Excess (deficiency) of revenues over expenditures	45,000	54,491	54,491	-
OTHER FINANCING USES				
Transfers out	(45,000)	(54,491)	(54,491)	-
Total other financing uses	(45,000)	(54,491)	(54,491)	-
Net change in fund balances	-	-	-	-
FUND BALANCES (DEFICIT), beginning of year	-	-	-	-
FUND BALANCES (DEFICIT), end of year	$ -	$ -	$ -	$ -

Insurance Premium Fund				Transportation Fund			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 6,000,000	$ 6,000,000	$ 5,686,599	$ (313,401)	$ -	$ -	$ -	$ -
-	-	-	-	1,466,205	1,466,205	747,523	(718,682)
51,500	51,500	13,516	(37,984)	567,680	567,680	351,888	(215,792)
350,000	350,000	427,401	77,401	-	-	-	-
-	-	339	339	-	-	-	-
621,173	621,173	13,120	(608,053)	-	-	-	-
7,022,673	7,022,673	6,140,975	(881,698)	2,033,885	2,033,885	1,099,411	(934,474)
253,368	257,411	230,278	27,133	-	-	-	-
3,822,072	3,873,763	3,733,568	140,195	-	-	-	-
2,042,075	2,075,867	1,991,217	84,650	2,033,885	2,179,292	1,101,868	1,077,424
-	-	-	-	-	-	-	-
6,117,515	6,207,041	5,955,063	251,978	2,033,885	2,179,292	1,101,868	1,077,424
905,158	815,632	185,912	(629,720)	-	(145,407)	(2,457)	142,950
(905,158)	(905,158)	(905,158)	-	-	-	-	-
(905,158)	(905,158)	(905,158)	-	-	-	-	-
-	(89,526)	(719,246)	(629,720)	-	(145,407)	(2,457)	142,950
135,616	135,616	135,616	-	(167,101)	(167,101)	(167,101)	-
$ 135,616	$ 46,090	$ (583,630)	$ (629,720)	$ (167,101)	$ (312,508)	$ (169,558)	$ 142,950

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE AND DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Parks and Recreation			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 889,800	$ 889,800	$ 899,933	$ 10,133
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	880,000	905,000	1,098,694	193,694
Investment income	-	-	42	42
Other	-	-	17,385	17,385
Total revenues	1,769,800	1,794,800	2,016,054	221,254
EXPENDITURES				
Current				
Public safety	-	-	-	-
Culture and recreation	2,816,550	2,878,482	2,852,470	26,012
Housing and development	-	-	-	-
Total expenditures	2,816,550	2,878,482	2,852,470	26,012
Excess (deficiency) of revenues over expenditures	(1,046,750)	(1,083,682)	(836,416)	247,266
OTHER FINANCING SOURCES (USES)				
Transfers in	1,046,750	1,046,750	1,046,750	-
Transfers out	-	-	-	-
Total other financing sources (uses)	1,046,750	1,046,750	1,046,750	-
Net change in fund balances	-	(36,932)	210,334	247,266
FUND BALANCES (DEFICIT), beginning of year	(298,484)	(298,484)	(298,484)	-
FUND BALANCES (DEFICIT), end of year	$ (298,484)	$ (335,416)	$ (88,150)	$ 247,266

DA Confiscated Assets				CDBG			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	1,711,575	1,796,796	709,384	(1,087,412)
15,000	15,000	20,793	5,793	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	18,400	3,134	(15,266)	-	-	-	-
15,000	33,400	23,927	(9,473)	1,711,575	1,796,796	709,384	(1,087,412)
15,000	15,000	6,800	8,200	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,711,575	1,799,890	633,941	1,165,949
15,000	15,000	6,800	8,200	1,711,575	1,799,890	633,941	1,165,949
-	18,400	17,127	(1,273)	-	(3,094)	75,443	78,537
-	-	13,992	13,992	-	-	-	-
-	(18,400)	(18,345)	55	-	-	-	-
-	(18,400)	(4,353)	14,047	-	-	-	-
-	-	12,774	12,774	-	(3,094)	75,443	78,537
58,048	58,048	58,048	-	(90,941)	(90,941)	(90,941)	-
$ 58,048	$ 58,048	$ 70,822	$ 12,774	$ (90,941)	$ (94,035)	$ (15,498)	$ 78,537

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE AND DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Jail			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Fines and forfeitures	455,000	455,000	403,954	(51,046)
Charges for services	-	-	-	-
Investment income	27,000	27,000	7,366	(19,634)
Other	-	-	-	-
Total revenues	482,000	482,000	411,320	(70,680)
EXPENDITURES				
Current				
Public safety	207,000	373,029	198,956	174,073
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	207,000	373,029	198,956	174,073
Excess (deficiency) of revenues over expenditures	275,000	108,971	212,364	103,393
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(275,000)	(275,000)	(275,000)	-
Total other financing sources (uses)	(275,000)	(275,000)	(275,000)	-
Net change in fund balances	-	(166,029)	(62,636)	103,393
FUND BALANCES, beginning of year	2,193,016	2,193,016	2,193,016	-
FUND BALANCES (DEFICIT), end of year	$ 2,193,016	$ 2,026,987	$ 2,130,380	$ 103,393

E-911				Debt Service			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 4,717,963	$ 4,717,963	$ 4,913,496	$ 195,533
-	-	-	-	-	-	-	-
4,301,406	4,301,406	4,123,652	(177,754)	-	-	-	-
-	-	3,111	3,111	-	-	-	-
160,000	160,000	581	(159,419)	-	-	-	-
4,461,406	4,461,406	4,127,344	(334,062)	4,717,963	4,717,963	4,913,496	195,533
4,461,406	4,519,464	4,186,312	333,152	-	-	-	-
-	-	-	-	9,690,000	9,690,000	9,690,000	-
-	-	-	-	2,573,648	2,573,648	2,575,058	(1,410)
4,461,406	4,519,464	4,186,312	333,152	12,263,648	12,263,648	12,265,058	(1,410)
-	(58,058)	(58,968)	(910)	(7,545,685)	(7,545,685)	(7,351,562)	194,123
-	-	-	-	7,545,685	7,545,685	8,584,510	1,038,825
-	-	-	-				
-	-	-	-	7,545,685	7,545,685	8,584,510	1,038,825
-	(58,058)	(58,968)	(910)	-	-	1,232,948	1,232,948
1,735,906	1,735,906	1,735,906	-	6,035,036	6,035,036	6,035,036	-
$ 1,735,906	$ 1,677,848	$ 1,676,938	$ (910)	$ 6,035,036	$ 6,035,036	$ 7,267,984	$ 1,232,948

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
2000:					
Special Local Option Sales Tax IV	$ 125,000,000	$ 130,831,000	$ 130,817,736	$ 12,520	$ 130,830,256
2000 Projects:					
Intergovernmental - City of Canton			$ 14,891,458	$ -	$ 14,891,458
Animal shelter construction			2,149,799	-	2,149,799
Jail / sewer construction			33,763,848	-	33,763,848
Parks and Recreation			7,673,650	12,520	7,686,170
Roads			67,656,829	-	67,656,829
Libraries			2,000,000	-	2,000,000
Fire Stations			2,682,152	-	2,682,152
			$ 130,817,736	$ 12,520	$ 130,830,256

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
2005					
Special Local Option Sales Tax V	$ 200,000,000	$ 178,000,000	$ 110,324,253	$ 27,687,493	$ 138,011,746
2005 Projects:					
City of Canton			$ 8,092,783	$ 2,149,794	$ 10,242,577
City of Mountain Park			18,044	4,793	22,837
City of Woodstock			8,895,746	2,363,095	11,258,841
City of Holly Springs			4,059,924	1,078,492	5,138,416
City of Ballground			1,272,511	328,341	1,600,852
City of Waleska			1,055,580	280,408	1,335,988
City of Nelson			424,036	112,642	536,678
Total Intergovernmental			23,818,624	6,317,565	30,136,189
Administration building			15,790,634	5,253,841	21,044,475
Tax Commissioner/Marshal Building			3,329,378	1,041,878	4,371,256
Transportation facility & equipment			38,973,919	6,460,786	45,434,705
Park & recreation facility			6,866,022	1,266,100	8,132,122
Library facility and books			124,835	300,000	424,835
Public safety facilities & equipment			7,411,756	2,845,568	10,257,324
New emergency children's shelter			831,525	-	831,525
New driver's license facility			1,658,083	-	1,658,083
Renovation to old Woodstock Elementary School			469,624	-	469,624
Airport			11,049,853	4,201,755	15,251,608
			$ 110,324,253	27,687,493	$ 138,011,746
		Public safety facilities & equipment paid with rental income		47,073	
		Transportation facility & equipment paid with grant funds		784,535	
		Total expenditures in SPLOST Fund		$ 28,519,101	

CHEROKEE COUNTY, GEORGIA

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

	SPLOST IV			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ -	$ -	$ -	$ -
Investment income	-	-	2,434	2,434
Other revenue	25,000	25,000	-	(25,000)
Total revenues	25,000	25,000	2,434	(22,566)
EXPENDITURES				
Current				
General governmental	-	-	-	-
Capital outlay	26,980	26,980	12,520	14,460
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	26,980	26,980	12,520	14,460
Excess (deficiency) of revenues over (under) expenditures	(1,980)	(1,980)	(10,086)	(8,106)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(1,980)	(1,980)	(10,086)	(8,106)
FUND BALANCES, beginning of year	1,313,050	1,313,050	1,313,050	-
FUND BALANCES, end of year	$ 1,311,070	$ 1,311,070	$ 1,302,964	$ (8,106)

Resource Recovery Development Authority				Impact Fees			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 230,000	$ 230,000	$ 108,910	$ (121,090)
-	-	-	-	30,500	30,500	10,927	(19,573)
1,216,143	1,216,143	1,216,143	-	1,810,500	1,810,500	-	(1,810,500)
1,216,143	1,216,143	1,216,143	-	2,071,000	2,071,000	119,837	(1,951,163)
-	-	-	-	365,000	365,000	134,672	230,328
-	-	-	-	241,000	241,000	-	241,000
290,000	290,000	290,000	-	-	-	-	-
926,143	926,143	926,143	-	-	-	-	-
1,216,143	1,216,143	1,216,143	-	606,000	606,000	134,672	471,328
-	-	-	-	1,465,000	1,465,000	(14,835)	(1,479,835)
-	-	-	-	75,000	75,000	-	(75,000)
-	-	-	-	(1,540,000)	(1,540,000)	-	1,540,000
-	-	-	-	(1,465,000)	(1,465,000)	-	1,465,000
-	-	-	-	-	-	(14,835)	(14,835)
-	-	-	-	3,632,965	3,632,965	3,632,965	-
$ -	$ -	$ -	$ -	$ 3,632,965	$ 3,632,965	$ 3,618,130	$ (14,835)

CHEROKEE COUNTY, GEORGIA

INTERNAL SERVICE FUNDS

Fleet Services	To account for operations of the County's Vehicle Maintenance Department which maintains and repairs all of the County's vehicles.
Insurance and Benefits	To account for the payment of health, disability and life insurance premiums and benefits.

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2010

ASSETS	Fleet Services	Insurance and Benefits	Total
Cash	$ 250	$ 936,586	$ 936,836
Receivables	-	183,523	183,523
Inventories	191,926	-	191,926
Capital assets, net of depreciation	451,441	-	451,441
Total assets	643,617	1,120,109	1,763,726
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	28,559	210,353	238,912
Accrued liabilities	10,643	758,021	768,664
Due to other funds	118,627	151,734	270,361
Compensated absence, due in one year	21,565	-	21,565
NONCURRENT LIABILITIES			
Compensated absence, due in more than one year	7,188	-	7,188
Total liabilities	186,582	1,120,108	1,306,690
NET ASSETS			
Invested in capital assets	451,441	-	451,441
Unrestricted	5,594	1	5,595
Total net assets	$ 457,035	$ 1	$ 457,036

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Fleet Services	Insurance and Benefits	Total
OPERATING REVENUES			
Charges for services	$ 1,269,668	$ 9,487,863	$ 10,757,531
Miscellaneous revenue	1,263	779,355	780,618
Total operating revenues	1,270,931	10,267,218	11,538,149
OPERATING EXPENSES			
Personal services and employee benefits	651,763	9,925,043	10,576,806
Contractual services	44,770	-	44,770
Supplies	655,129	-	655,129
Depreciation	57,174	-	57,174
Total operating expenses	1,408,836	9,925,043	11,333,879
Operating income (loss)	(137,905)	342,175	204,270
NONOPERATING EXPENSES			
Loss on disposal of capital assets	(14,671)	-	(14,671)
Change in net assets	(152,576)	342,175	189,599
NET ASSETS (DEFICIT), beginning of year	609,611	(342,174)	267,437
NET ASSETS, end of year	$ 457,035	$ 1	$ 457,036

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Fleet Services	Insurance and Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other funds	$ 1,750,316	$ 9,487,863	$ 11,238,179
Payments to employees	(642,555)	-	(642,555)
Payments to suppliers for services provided	(1,107,761)	(9,353,336)	(10,461,097)
Net cash provided by operating activities	-	134,527	134,527
Net increase in cash and cash equivalents	-	134,527	134,527
Cash and cash equivalents, beginning of year	250	802,059	802,309
Cash and cash equivalents, end of year	$ 250	$ 936,586	$ 936,836
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	$ (137,905)	$ 342,175	$ 204,270
Adjustments to reconcile operating income (loss) net cash proivded by operating activity			
Depreciation	57,174	-	57,174
Increase in receivables	-	(46,098)	(46,098)
Decrease in due from other funds	479,385	-	479,385
Increase in inventory	(46,259)	-	(46,259)
Increase (decrease) in accounts payable	410	(46,220)	(45,810)
Increase (decrease) in accrued expenses	1,257	(267,064)	(265,807)
Increase (decrease) in due to other funds	(362,013)	151,734	(210,279)
Increase in compensated absences	7,951	-	7,951
Net cash provided by operating activities	$ -	$ 134,527	$ 134,527

CHEROKEE COUNTY, GEORGIA

AGENCY FUNDS

Tax Commissioner	To account for tax billings, collections, and remittances made by property owners of record on behalf of other governmental agencies.
Probate Court	To account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc. which are disbursed to other parties.
Juvenile Court	To account for the collection of probation supervision fees which are disbursed to other parties.
Clerk of Superior Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.
Clerk of State Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.
Sheriff	To account for the collection and remittance of fines, bond forfeitures, and various fees and to account for the receipt and disbursement of funds held on behalf of county inmates housed in the County detention facility.

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2010

	Tax Commissioner	Probate Court	Juvenile Court	Clerk of Superior Court
ASSETS				
Cash	$ 79,595,614	$ 10,306	$ 1,237	$ 5,641,496
Taxes receivable	15,176,931	-	-	-
Total assets	$ 94,772,545	$ 10,306	$ 1,237	$ 5,641,496
LIABILITIES				
Due to others	$ 79,595,614	$ 10,306	$ 1,237	$ 5,641,496
Taxes payable to others upon collection	15,176,931	-	-	-
	$ 94,772,545	$ 10,306	$ 1,237	$ 5,641,496

Clerk of State Court	Sheriff	Total
$ 61,885	$ 445,658	$ 85,756,196
-	-	15,176,931
$ 61,885	$ 445,658	$ 100,933,127
$ 61,885	$ 445,658	$ 85,756,196
-	-	15,176,931
$ 61,885	$ 445,658	$ 100,933,127

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Balance January 1, 2010	Increases	Decreases	Balance December 31, 2010
Tax Commissioner				
ASSETS				
Cash	$ 828,144	$ 209,886,685	$ 131,119,215	$ 79,595,614
Taxes receivable	19,111,567	186,005,062	189,939,698	15,176,931
Total assets	$ 19,939,711	$ 395,891,747	$ 321,058,913	$ 94,772,545
LIABILITIES				
Due to others	$ 828,144	$ 209,886,685	$ 131,119,215	$ 79,595,614
Taxes payable to others upon collection	19,111,567	186,005,062	189,939,698	15,176,931
	$ 19,939,711	$ 395,891,747	$ 321,058,913	$ 94,772,545
Probate Court				
ASSETS				
Cash	$ 10,734	$ 379,743	$ 380,171	$ 10,306
LIABILITIES				
Due to others	$ 10,734	$ 379,743	$ 380,171	$ 10,306
Juvenile Court				
ASSETS				
Cash	$ 1,267	$ 95,289	$ 95,319	$ 1,237
LIABILITIES				
Due to others	$ 1,267	$ 95,289	$ 95,319	$ 1,237

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Balance January 1, 2010	Increases	Decreases	Balance December 31, 2010
Clerk of Superior Court				
ASSETS				
Cash	$ 5,170,706	$ 12,953,282	$ 12,482,492	$ 5,641,496
LIABILITIES				
Due to others	$ 5,170,706	$ 12,953,282	$ 12,482,492	$ 5,641,496
Clerk of State Court				
ASSETS				
Cash	$ 69,410	$ 3,366,386	$ 3,373,911	$ 61,885
LIABILITIES				
Due to others	$ 69,410	$ 3,366,386	$ 3,373,911	$ 61,885
Sheriff				
ASSETS				
Cash	$ 534,846	$ 3,430,417	$ 3,519,605	$ 445,658
LIABILITIES				
Due to others	$ 534,846	$ 3,430,417	$ 3,519,605	$ 445,658
Total Agency Funds				
ASSETS				
Cash	$ 6,615,107	$ 230,111,802	$ 150,970,713	$ 85,756,196
Taxes receivable	19,111,567	186,005,062	189,939,698	15,176,931
Total assets	$ 25,726,674	$ 416,116,864	$ 340,910,411	$ 100,933,127
LIABILITIES				
Due to others	$ 6,615,107	$ 230,111,802	$ 150,970,713	$ 85,756,196
Uncollected taxes	19,111,567	186,005,062	189,939,698	15,176,931
	$ 25,726,674	$ 416,116,864	$ 340,910,411	$ 100,933,127

DEVELOPMENT AUTHORITY OF CHEROKEE COUNTY

BALANCE SHEET
DECEMBER 31, 2010

ASSETS		
Cash	$	1,908,985
Accounts receivable, net of allowance		27,250
Prepaid assets		138,100
Total assets	$	2,074,335
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accrued liabilities	$	694
Total liabilities		694
FUND BALANCE		
Reserved for:		
Prepaids		138,100
Unrestricted		1,935,541
Total fund balance		2,073,641
Total liabilities and fund balance	$	2,074,335

DEVELOPMENT AUTHORITY OF CHEROKEE COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2010

REVENUES		
Intergovernmental	$	1,088,213
Investment income		2,982
Other		32,650
Total revenues		1,123,845
EXPENDITURES		
Current:		
Housing and development		3,325,853
Debt Service:		
Principal		885,143
Interest		336,502
Total expenditures		4,547,498
Deficiency of revenues over expenditures		(3,423,653)
OTHER FINANCING SOURCES		
Contributions		145,929
Proceeds from sale of assets		733,117
Issuance of debt		1,992,000
Total other financing sources		2,871,046
Net change in fund balance		(552,607)
FUND BALANCE, beginning of year		2,626,248
FUND BALANCE, end of year	$	2,073,641

III. STATISTICAL SECTION

CHEROKEE COUNTY, GEORGIA

STATISTICAL SECTION

This part of Cherokee County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The government implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CHEROKEE COUNTY, GEORGIA

NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS

(Unaudited)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested in Capital Assets, net of related debt	$ 819,228,894	$ 831,534,487	$ 827,445,194	$ 1,058,146,955	$ 1,087,842,947	$ 1,091,115,199	$ 1,064,235,201	$ 1,058,683,428
Restricted	20,332,896	6,215,768	854,710	2,159,137	2,278,709	3,515,045	37,906,250	35,732,314
Unrestricted	27,259,244	43,964,068	68,885,754	75,512,945	74,358,039	57,698,960	39,767,844	25,739,216
Total Governmental Activities Net Assets	866,821,034	881,714,323	897,185,658	1,135,819,037	1,164,479,695	1,152,329,204	1,141,909,295	1,120,154,958
Business type Activities								
Invested in Capital Assets, net of related debt	(394,280)	(166,519)	(156,420)	3,316	(14,637)	924,061	800,260	703,439
Unrestricted	(665,410)	(1,419,594)	(1,021,454)	3,784,756	4,391,867	3,630,081	1,193,605	147,817
Total Business-type Activities Net Assets	(1,059,690)	(1,586,113)	(1,177,874)	3,788,072	4,377,230	4,554,142	1,993,865	851,256
Primary Government								
Invested in Capital Assets, net of related debt	818,834,614	831,367,968	827,288,774	1,058,150,271	1,087,828,310	1,092,039,260	1,065,035,461	1,059,386,867
Restricted	20,332,896	6,215,768	854,710	2,159,137	2,278,709	3,515,045	37,906,250	35,732,314
Unrestricted	26,593,834	42,544,474	67,864,300	79,297,701	78,749,906	61,329,041	40,961,449	25,887,033
Total Primary Government Net Assets	$ 865,761,344	$ 880,128,210	$ 896,007,784	$ 1,139,607,109	$ 1,168,856,925	$ 1,156,883,346	$ 1,143,903,160	$ 1,121,006,214

CHEROKEE COUNTY, GEORGIA

CHANGES IN NET ASSETS, LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

(Unaudited)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses:								
Governmental Activities:								
General Government	$ 9,729,182	$ 9,590,433	$ 8,887,270	$ 12,083,080	$ 14,601,860	$ 13,792,840	$ 13,495,202	$ 11,238,380
Judicial	8,688,636	8,943,284	9,605,721	10,502,498	11,930,793	13,222,285	13,068,161	12,934,968
Public Safety	39,174,085	39,479,206	42,587,821	48,666,376	55,062,513	54,181,896	56,297,513	58,859,578
Public Works	40,674,491	32,508,174	26,306,122	39,182,296	55,751,873	45,813,759	46,714,160	50,666,579
Health and Welfare	2,176,969	2,287,886	2,797,603	3,387,526	6,907,871	5,469,253	4,223,612	5,332,454
Culture and Recreation	3,959,322	5,441,365	3,611,883	3,708,582	5,498,054	6,097,251	6,047,753	5,085,377
Housing and Development	2,612,604	3,332,607	4,386,432	3,485,319	2,384,843	2,009,789	4,887,468	3,582,765
Interest on Long-term debt	827,663	590,266	553,713	1,237,040	1,513,575	2,237,570	3,369,863	3,622,857
Total governmental activities	107,842,952	102,173,221	98,736,565	122,252,717	153,651,382	142,824,643	148,103,732	151,322,958
Business-type Activities:								
Emergency Medical Services	4,875,519	5,703,494	5,316,581	5,021,172	5,422,292	6,059,852	7,213,645	7,429,041
	-	-	-	-	-	-	162,963	224,636
Total Business-type Activities	4,875,519	5,703,494	5,316,581	5,021,172	5,422,292	6,059,852	7,376,608	7,653,677
Total Primary Government	112,718,471	107,876,715	104,053,146	127,273,889	159,073,674	148,884,495	155,480,340	158,976,635
Program Revenues								
Governmental Activities								
Charges for Services								
General Government	2,700,853	5,844,062	2,997,320	7,025,896	6,338,838	5,251,645	4,022,193	4,488,101
Judicial	3,099,642	6,706,955	10,642,451	6,526,695	8,031,157	8,153,155	6,214,188	6,375,601
Public Safety	1,841,745	3,985,139	5,113,339	5,334,715	5,125,041	6,185,474	6,145,639	6,126,627
Public Works	1,990,722	4,307,492	6,055,470	7,599,374	5,573,088	5,923,111	3,435,044	2,524,196
Health and Welfare	209,628	453,590	52,145	95,475	265,725	193,424	177,837	353,951
Culture and Recreation	-	-	-	-	871,830	1,123,960	938,345	1,098,694
Housing and Development	148,519	321,363	-	-	-	729,171	976,699	848,876
Operating Grants and Contributions	3,577,515	1,418,227	1,867,578	890,604	1,383,194	2,013,951	2,756,658	3,702,555
Capital Grants and Contributions	307,515	594,075	2,477,845	237,929,016	50,854,343	11,754,816	11,806,091	18,724,096
Total governmental activities	13,876,139	23,630,903	29,206,148	265,401,775	78,443,216	41,328,707	36,472,694	44,242,697
Business-type Activities:								
Emergency Medical Services:								
Charges for Services	3,525,829	4,887,101	4,758,906	5,791,384	5,841,396	4,057,351	3,842,690	5,886,811
Conference Center:								
Charges for Services	-	-	-	-	-	-	8,059	11,038
Operating Grants and Contributions	-	-	-	-	-	-	21,000	21,000
Total Business-type Activities	3,525,829	4,887,101	4,758,906	5,791,384	5,841,396	4,057,351	3,871,749	5,918,849
Total Primary Government	17,401,968	28,518,004	33,965,054	271,193,159	84,284,612	45,386,058	40,344,443	50,161,546
Net (Expenses) Revenue								
Governmental Activities	(93,966,813)	(78,542,318)	(69,530,417)	143,149,058	(75,208,166)	(101,495,936)	(111,631,038)	(107,080,261)
Business-type Activities	(1,349,690)	(816,393)	(557,675)	770,212	419,104	(2,002,501)	(3,504,859)	(1,734,828)
Total Primary Government Net Expense	(95,316,503)	(79,358,711)	(70,088,092)	143,919,270	(74,789,062)	(103,498,437)	(115,135,897)	(108,815,089)

CHEROKEE COUNTY, GEORGIA

CHANGES IN NET ASSETS, LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

(Unaudited)

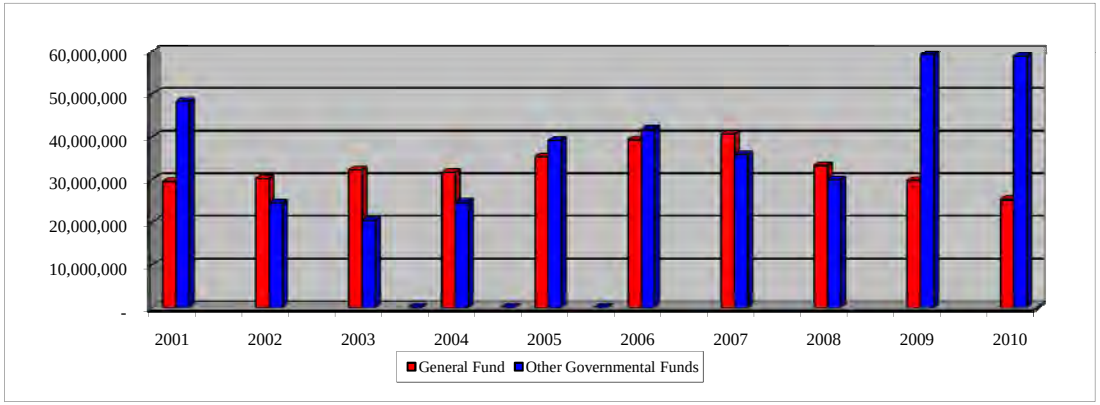
	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Property Taxes	$ 42,200,992	$ 46,027,427	$ 48,256,431	$ 52,184,012	$ 58,987,690	$ 55,462,119	$ 64,298,714	$ 59,595,990
Alcoholic beverage taxes	711,227	745,493	722,866	739,005	776,714	879,968	870,004	899,933
Franchise taxes	-	960,471	1,381,058	1,331,248	1,122,201	1,248,798	1,501,321	1,484,307
Sales taxes	23,031,245	25,649,283	28,002,284	31,672,352	31,976,966	29,253,737	26,689,087	27,381,983
Insurance Premium taxes	4,548,042	4,921,070	4,855,098	5,107,184	5,790,874	5,932,023	5,846,968	5,686,599
Other taxes	516,248	72,286	92,401	104,269	117,815	105,038	82,876	89,491
Miscellaneous revenues	1,342,594	984,646	1,495,238	5,679,080	2,439,813	803,358	2,262,810	2,018,183
Unrestricted investment earnings	850,784	160,788	762,261	2,462,905	2,627,810	1,270,686	457,225	166,685
Gain (Loss) on sale of capital assets	-	-	-	-	198,995	-	-	-
Transfers	(290,000)	(290,000)	(565,884)	(3,795,734)	(170,054)	(2,179,413)	(797,876)	(404,491)
Total governmental activities	72,911,132	79,231,464	85,001,753	95,484,321	103,868,824	92,776,314	101,211,129	96,918,680
Business-type Activities								
Insurance Premium taxes	-	-	400,000	400,000	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	146,706	187,728
Transfers	290,000	290,000	565,884	3,795,734	170,054	2,179,413	797,876	404,491
Total business-type activities	290,000	290,000	965,884	4,195,734	170,054	2,179,413	944,582	592,219
Total Primary Government	73,201,132	79,521,464	85,967,637	99,680,055	104,038,878	94,955,727	102,155,711	97,510,899
Change in Net Assets								
Governmental Activities	(21,055,681)	157,773,782	15,471,336	238,633,379	28,660,658	(8,719,622)	(10,419,909)	(10,161,581)
Business-type Activities	(1,059,690)	(526,393)	408,209	4,965,946	589,158	176,912	(2,560,277)	(1,142,609)
Total Primary Government	(22,115,371)	157,247,389	15,879,545	243,599,325	29,249,816	(8,542,710)	(12,980,186)	(11,304,190)
Net Assets, beginning of year	879,159,093	865,761,344	880,128,240	896,007,784	1,139,607,109	1,165,426,056	1,156,883,346	1,132,310,404
Net Assets, end of year	**$ 865,761,344**	**$ 880,128,240**	**$ 896,007,784**	**$ 1,139,607,109**	**$ 1,168,856,925**	**$ 1,156,883,346**	**$ 1,143,903,160**	**$ 1,121,006,214**

CHEROKEE COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund										
Reserved	$ 41,698	$ 53,259	$ 27,511	$ 142,307	$ 151,863	$ 175,525	$ 51,116	$ 175,321	$ 213,815	$ 267,643
Unreserved	29,334,621	30,003,780	32,148,803	31,446,335	35,112,334	39,044,154	40,543,543	32,943,773	29,423,015	24,914,065
Total General Fund	**29,376,319**	**30,057,039**	**32,176,314**	**31,588,642**	**35,264,197**	**39,219,679**	**40,594,659**	**33,119,094**	**29,636,830**	**25,181,708**
All Other Governmental funds										
Reserved	-	-	3,489	643,054	693,543	1,983,612	2,227,593	3,519,690	37,916,605	35,736,960
Unreserved, reported in:										
Special Revenue funds	13,304,140	10,521,585	5,504,692	6,390,149	9,554,646	19,727,214	18,064,414	18,268,587	17,289,982	16,747,516
Capital projects funds	31,867,116	9,199,578	9,062,004	11,943,397	28,767,445	19,972,456	15,456,909	7,987,494	4,023,396	6,268,759
Debt service funds	3,083,907	4,701,832	5,762,711	5,575,779	9,304	-	-	-	-	-
Total all other governmental funds	48,255,163	24,422,995	20,332,896	24,552,379	39,024,938	41,683,282	35,748,916	29,775,771	59,229,983	58,753,235
Total all governmental funds	**$ 77,631,482**	**$ 54,480,034**	**$ 52,509,210**	**$ 56,141,021**	**$ 74,289,135**	**$ 80,902,961**	**$ 76,343,575**	**$ 62,894,865**	**$ 88,866,813**	**$ 83,934,943**

* The increase in FY2000 is due to the issuance of $30,000,000 in bonds.
** The increase in FY2005 is due to the issuance of $20,000,000 in bonds.
*** The increase in FY2009 is due to the issuance of $45,000,000 in bonds.



CHEROKEE COUNTY, GEORGIA

CHANGE IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

(Unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	$66,315,144	$ 64,818,109	$ 71,818,928	$ 76,940,729	$ 83,033,746	$ 92,151,465	$ 97,038,672	$ 93,537,984	$ 99,221,526	$ 95,491,171
Licenses and Permits	1,685,297	2,016,548	1,848,181	2,012,502	2,181,851	2,407,331	2,170,334	1,747,414	1,201,006	1,179,738
Fines and Penalties	4,398,522	5,410,660	6,058,267	6,595,394	7,245,571	6,147,270	7,621,928	7,335,862	5,988,839	6,159,605
Charges for Services	8,034,008	9,774,836	9,991,109	12,506,240	15,192,467	17,066,741	16,157,533	18,285,225	15,381,048	14,369,407
Intergovernmental	3,850,436	2,718,313	3,885,030	1,999,686	4,332,218	5,335,819	4,388,255	3,741,517	3,287,187	4,426,846
Investment Earnings	3,080,237	2,055,101	850,784	160,788	762,261	2,462,905	2,627,810	1,270,686	487,215	183,046
Other Revenues	559,965	793,446	1,342,594	633,533	1,371,761	5,791,725	2,512,546	896,079	1,546,588	2,335,660
Total Revenues	87,923,609	87,587,013	95,794,893	100,848,872	114,119,875	131,363,256	132,517,078	126,814,767	127,113,409	124,145,473
Expenditures										
General Government	13,704,452	11,592,759	8,872,374	10,608,694	9,060,886	9,954,888	10,828,902	13,725,770	12,678,432	10,587,252
Judicial	6,084,623	7,303,006	8,142,009	8,875,396	9,126,133	9,975,643	11,756,810	13,109,919	12,634,661	12,541,103
Public Safety	24,704,627	33,562,554	36,108,622	39,715,334	40,439,129	45,194,256	49,958,886	54,968,804	54,685,636	54,767,227
Public Works	1,433,950	3,868,200	11,811,332	3,849,709	3,647,480	3,828,726	12,040,686	10,840,241	8,682,763	8,366,354
Health and Welfare	-	1,389,016	1,722,275	2,264,271	2,766,641	3,358,975	5,839,786	5,352,280	4,497,164	5,443,570
Housing and Development	1,740,223	1,658,572	3,339,489	4,505,894	4,458,662	3,566,279	2,235,117	5,440,200	5,231,606	3,502,384
Culture and Recreation	-	256,475	5,216	3,486,733	3,606,019	3,701,209	5,171,494	2,032,927	6,338,228	5,411,523
Capital Outlay	35,160,290	35,487,252	14,077,842	25,332,404	34,838,421	50,302,267	49,837,436	23,117,171	25,501,385	19,157,660
Debt Service:										
Principal	-	7,500,000	7,500,000	7,779,782	7,784,393	296,779	5,390,196	6,951,789	7,033,223	10,312,937
Bond issuance costs	-	-	-	-	-	-	568,857	-	496,642	3,607,748
Interest	2,037,383	1,179,200	827,663	584,171	543,082	1,096,139	1,413,168	2,025,332	3,268,743	134,853
Intergovernmental	-	-	-	-	-	-	-	-	6,238,285	6,317,565
Total Expenditures	84,865,548	103,797,034	92,406,822	107,002,388	116,270,846	131,275,161	155,041,338	137,564,433	147,286,768	140,150,176
Excess (deficiency) of revenues over (under) expenditures	3,058,061	(16,210,021)	3,388,071	(6,153,516)	(2,150,971)	88,095	(22,524,260)	(10,749,666)	(20,173,359)	(16,004,703)
Other Financing Sources (Uses)										
Proceeds from bond issues	-	-	-	-	20,831,431	9,400,000	18,145,000	9,191,451	45,000,000	10,767,000
Discount on bonds sold	-	-	-	-	-	-	(278,332)	-	-	-
Premium on issuance of bonds	-	-	-	-	-	-	-	-	1,825,087	-
Proceeds from leases	-	-	-	1,173,134	-	798,165	-	-	-	-
Proceeds from sale of assets	-	-	-	120,842	33,538	123,300	268,260	100,871	118,096	710,324
Transfers in	400,681	30,223,976	10,578,089	12,966,901	4,514,918	4,586,165	10,192,135	15,234,872	11,504,413	12,074,226
Transfers out	(3,971,146)	(34,234,243)	(15,580,002)	(13,142,973)	(5,080,802)	(8,381,899)	(10,362,189)	(16,598,590)	(12,302,289)	(12,478,717)
Total other financing sources (uses)	(3,570,465)	(4,010,267)	(5,001,913)	1,117,904	20,299,085	6,525,731	17,964,874	7,928,604	46,145,307	11,072,833
Net Change in Fund Balance	(512,404)	(20,220,288)	(1,613,842)	(5,035,612)	18,148,114	6,613,826	(4,559,386)	(2,821,062)	25,971,948	(4,931,870)
Fund Balances, beginning of the year	78,200,494	77,631,482	54,480,034	52,509,210	56,141,021	74,289,135	80,902,961	76,343,575	62,894,865	88,866,813
Prior Period Adjustments	(56,608)	(2,931,160)	(356,982)	8,667,423	-	-	-	(10,627,648)	-	-
Fund Balances, end of year	$77,631,482	$ 54,480,034	$ 52,509,210	$ 56,141,021	$ 74,289,135	$ 80,902,961	$ 76,343,575	$ 62,894,865	$ 88,866,813	$ 83,934,943
Debt service as a percentage of noncapital expenditures	4.10%	12.71%	10.63%	10.24%	10.23%	1.72%	6.11%	8.52%	9.81%	11.92%

CHEROKEE COUNTY, GEORGIA

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

(Unaudited)

	Program Revenues							
	2003	2004	2005	2006	2007	2008	2009	2010
Function/Program								
Primary Government:								
Govenmental Activities:								
General government	$ 6,934,020	$ 5,871,378	$ 3,022,612	$ 7,053,805	$ 6,416,829	$ 5,378,477	$ 4,227,355	$ 5,329,530
Judicial	-	6,794,411	10,737,171	6,604,237	8,237,620	8,558,858	7,405,579	6,996,592
Public safety	3,801,387	4,598,431	6,224,827	6,273,847	5,473,686	6,545,013	6,394,475	6,440,709
Public works	3,140,732	4,843,501	8,091,155	243,961,923	55,559,284	16,747,949	15,651,517	21,197,450
Health and welfare	-	453,590	52,145	95,475	1,209,531	2,245,279	1,774,877	2,309,171
Culture and recreation		-	-	-	1,371,756	1,123,960	938,345	1,120,369
Housing and development	-	1,069,592	1,078,238	1,412,488	174,510	729,171	976,699	848,876
Total governmental activities	13,876,139	23,630,903	29,206,148	265,401,775	78,443,216	41,328,707	37,368,847	44,242,697
Business-type Activities:								
Emergency medical services	3,525,829	4,887,101	4,758,906	5,791,384	5,841,396	6,072,067	3,842,690 (1)	5,886,811
Conference Center	-	-	-	-	-	-	29,059 (2)	32,038
Total business-type activities	3,525,829	4,887,101	4,758,906	5,791,384	5,841,396	6,072,067	3,871,749	5,918,849
Total primary government	$ 17,401,968	$ 28,518,004	$ 33,965,054	$ 271,193,159	$ 84,284,612	$ 47,400,774	$ 41,240,596	$ 50,161,546

(1) Revenues decreased as the County made a change in accounting estimate affecting the calculation of the allowance for doubtful accounts.
(2) The County created a Conference Center fund in 2009.

CHEROKEE COUNTY, GEORGIA

TAX REVENUES BY SOURCE , GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting) **(Unaudited)**

Year Ended	Property Tax	Intangible Tax	Motor Vehicle Tax	Insurance Premium Tax	Special Purpose Local Option Sales Tax	Other Taxes	Total
12/31/2001	33,244,097	2,112,012	3,860,693	3,840,737	21,235,827	1,632,890	56,353,338
12/31/2002	31,359,937	2,169,670	4,453,928	4,240,915	20,992,984	1,600,676	64,818,109
12/31/2003	34,372,132	2,889,262	4,099,755	4,548,042	24,586,482	537,170	71,032,844
12/31/2004	36,819,959	2,177,549	4,063,848	4,921,070	26,049,283	2,893,873	76,925,581
12/31/2005	40,692,451	2,558,662	3,456,509	4,855,098	28,002,284	3,468,741	83,033,746
12/31/2006	45,760,076	2,629,878	4,807,453	5,107,184	31,672,352	2,174,522	92,151,465
12/31/2007	53,026,447	1,512,571	2,715,084	5,790,874	31,976,966	2,016,730	97,038,672
12/31/2008	49,837,451	1,532,979	4,747,990	5,932,023	29,253,737	2,233,804	93,537,984
12/31/2009	58,810,094	1,427,202	4,203,836	5,846,968	26,479,225	2,454,201	99,221,526
12/31/2010	53,948,183	1,109,956	4,680,857	5,686,599	27,591,845	2,473,731	95,491,171

CHEROKEE COUNTY, GEORGIA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

	Residential Property		Commercial Property		Industrial Property		Less: Tax Exempt Property	Total Reporting Entity		Total Direct Tax Rate
Digest Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value	
2001	2,325,675,040	5,814,187,600	450,460,120	1,126,150,300	88,514,640	221,286,600	136,918,360	4,588,094,545	11,470,236,362	28.10
2002	2,680,617,400	6,701,543,500	544,059,160	1,360,147,900	94,607,160	236,517,900	204,788,691	5,265,433,460	13,163,583,650	27.57
2003	2,984,118,680	7,460,296,700	569,292,178	1,423,230,445	105,365,240	263,413,100	240,019,726	5,656,800,123	14,142,000,307	27.39
2004	3,450,241,360	8,625,603,400	612,127,570	1,530,318,925	112,668,840	281,672,100	232,822,396	6,202,270,368	15,505,675,920	26.98
2005	3,956,861,798	9,892,154,495	695,259,004	1,738,147,510	127,870,920	319,677,300	312,110,356	6,901,638,075	17,254,095,187	26.84
2006	4,515,048,080	11,287,620,200	783,724,260	1,959,310,650	148,127,546	370,318,865	335,370,516	7,724,770,497	19,311,926,242	26.50
2007	5,156,038,549	12,890,096,372	866,705,294	2,166,763,235	160,684,680	401,711,700	355,348,196	8,822,751,247	22,056,878,117	26.25
2008	5,450,894,960	13,627,237,400	952,621,800	2,381,554,500	172,166,452	430,416,130	389,604,965	9,259,006,566	23,147,516,415	26.24
2009	5,148,444,120	12,871,110,300	977,086,873	2,442,717,182	177,544,916	443,862,290	400,700,705	9,001,790,326	22,504,475,815	26.80
2010	4,728,740,840	11,821,852,100	939,414,009	2,318,535,023	168,121,006	420,302,515	411,417,625	8,246,552,393	20,616,380,982	28.40

***** Source: Cherokee County Tax Assessor

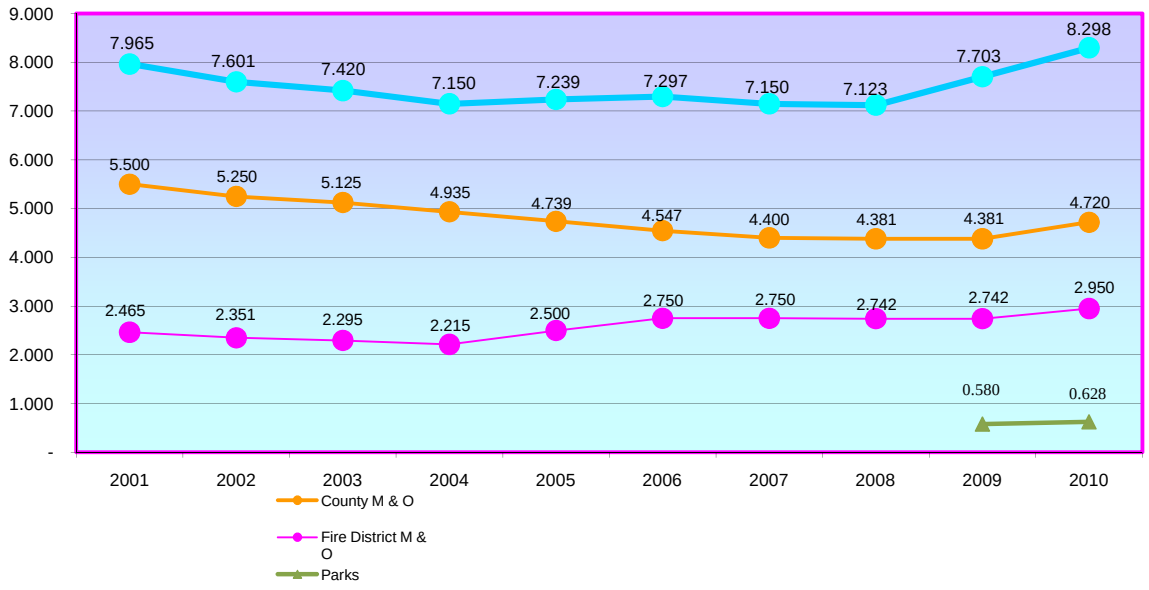
Note: Property in Cherokee County is assessed at 40% of actual value. Tax rates are per $1,000 of assessed value.

CHEROKEE COUNTY, GEORGIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING
(Per $1,000 of Assessed Value)
LAST TEN FISCAL YEARS

	County	Fire Districts	Parks		Schools		
Year of Levy	Maintenance and Operations	County Wide	County Wide	State	Maintenance and Operations	Bonded Debt	Total
2001	5.500	2.465		0.25	18.450	1.430	19.880
2002	5.250	2.351		0.25	18.450	1.269	19.719
2003	5.125	2.295		0.25	18.450	1.269	19.719
2004	4.935	2.215		0.25	18.450	1.129	19.579
2005	4.739	2.500		0.25	18.450	0.900	19.350
2006	4.547	2.750		0.25	18.450	0.500	18.950
2007	4.400	2.750		0.25	18.450	0.400	18.850
2008	4.381	2.742		0.25	18.450	0.400	18.850
2009	4.381	2.742	0.580	0.25	18.450	0.400	18.850
2010	4.720	2.950	0.628	0.25	19.450	0.400	19.850

Historical County Millage Rates - Last 10 Years



CHEROKEE COUNTY, GEORGIA

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Cherokee County	County School District	State	Total Sales Tax Rate
2001	1.00%	1.00%	4.00%	6.00%
2002	1.00%	1.00%	4.00%	6.00%
2003	1.00%	1.00%	4.00%	6.00%
2004	1.00%	1.00%	4.00%	6.00%
2005	1.00%	1.00%	4.00%	6.00%
2006	1.00%	1.00%	4.00%	6.00%
2007	1.00%	1.00%	4.00%	6.00%
2008	1.00%	1.00%	4.00%	6.00%
2009	1.00%	1.00%	4.00%	6.00%
2010	1.00%	1.00%	4.00%	6.00%

CHEROKEE COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2010

(Unaudited)

	2010			2006**		
Taxpayer	**Assessed Value**	**Rank**	**Percentage of Total Assessment**	**Assessed Value**	**Rank**	**Percentage of Total Assessment**
Georgia Power	34,390,952	1	0.42%	29,127,920	2	0.38%
Atlanta Gas Light Company	31,148,943	2	0.38%	32,550,440	1	0.42%
Cobb EMC	22,660,390	3	0.27%	19,180,800	3	0.25%
GLL Selection II Georgia LLP	18,418,160	4	0.22%			
Windstream Georgia Comm Corp	14,610,586	5	0.18%			
Georgia Transmission	14,217,584	6	0.17%	12,752,640	6	0.17%
CH Realty IV / Woodstock, LLC	13,934,280	7	0.17%			
DDRM Riverstone Plaza LLC	12,515,920	8	0.15%			
BellSouth Telecommunications	12,446,800	9	0.15%	17,275,760	5	0.22%
Forest Real Estate Group, Inc.	10,802,680	10	0.13%			
AllTel				19,471,000	4	0.25%
Inland Southeast Riverstone				13,970,520	7	0.18%
Mid-America Apartment Comm				10,499,286	8	0.14%
Inland Rome, Inc				9,221,000	9	0.12%
Sawnee EMC				8,250,840	10	0.11%

* Source: Cherokee County Tax Commissioners Office

**NOTE: 2006 is the oldest data available.

CHEROKEE COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

(Uaudited)

Fiscal Year Ended 12/31		Tax Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2001		28,347,510	25,935,643	91.49%	7,768,474	33,704,117	118.90%
2002		29,156,215	27,727,626	95.10%	3,762,526	31,490,152	108.00%
2003		36,812,799	29,733,081	80.77%	4,449,755	34,182,836	92.86%
2004		39,028,719	32,222,778	82.56%	4,086,655	36,309,433	93.03%
2005		39,800,255	35,917,192	90.24%	3,693,821	39,611,013	99.52%
2006		42,938,818	41,285,571	96.15%	5,006,645	46,292,216	107.81%
2007		47,081,527	45,447,285	96.53%	4,996,320	50,443,605	107.14%
2008		51,585,541	46,272,455	89.70%	5,658,769	51,931,224	100.67%
2009	*	54,038,156	50,873,916	94.14%	6,473,351	57,347,267	106.12%
2010	*	53,438,477	48,461,466	90.69%	-	48,461,466	90.69%

Source: Cherokee County Tax Commissioner

(1) Amounts shown are before adjustments on accounts of appeals, errors, and property added to the digest after the levy date.

* Information includes new tax for Parks and Recreation Bonds

CHEROKEE COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities				Business-Type Activities					
Fiscal Year	General Obligation	Development Authority	Resource Recovery Development Authority	Capital Leases	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita	Population	Personal Income
2001	$ 30,000,000	$ 5,765,000	$ -	$ -	$ -	$ 35,765,000	0.73%	228.99	156,185	31,463
2002	22,500,000	5,190,000	-	-	-	27,690,000	0.59%	175.28	157,973	29,934
2003	15,000,000	4,575,000	-	-	-	19,575,000	0.40%	119.29	164,100	29,737
2004	7,500,000	3,920,000	-	-	-	11,420,000	0.22%	66.83	170,885	30,590
2005	20,000,000	3,215,000	-	-	-	23,215,000	0.45%	126.02	184,211	28,100
2006	29,400,000	2,640,000	-	2,610,501	700,751	35,351,252	0.65%	184.02	192,107	28,100
2007	24,608,000	2,040,000	18,145,000	2,012,299	356,871	47,162,170	0.71%	230.78	204,363	32,358
2008	27,535,000	1,405,000	18,145,000	1,385,510	-	48,470,510	0.70%	230.76	210,044	33,000
2009	66,020,000	775,000	18,145,000	867,005	-	85,807,005	1.19%	391.31	215,084	33,000
2010	67,097,000	-	17,855,000	534,350	-	85,486,350	1.19%	398.82	214,346	29,832

Note: Development Authority bonds are issued by the Development Authority, a component unit of the County, but through an agreement the County is responsible for debt service payments over and above revenue generated by the Authority to pay the bonds.

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a component unit of the County, but through an agreement the County is responsible for debt service payments over and above revenue generated by the authority to pay the bonds.

CHEROKEE COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	General Bonded Debt Outstanding: General Obligation	Development Authority	Resource Recovery Development Authority	Total Primary Government	Percentage of Actual Value of Property	Per Capita	Population	Actual Property Value
2001	30,000,000	$ 5,315,000	$ -	$ 35,315,000	0.31%	226.11	156,185	$ 11,470,236,362
2002	22,500,000	4,740,000	-	27,240,000	0.21%	172.43	157,973	13,163,583,650
2003	15,000,000	4,125,000	-	19,125,000	0.14%	116.54	164,100	14,142,000,307
2004	7,500,000	3,470,000	-	10,970,000	0.07%	64.20	170,885	15,505,675,920
2005	20,000,000	2,765,000	-	22,765,000	0.13%	123.58	184,211	17,254,095,187
2006	29,400,000	2,640,000	-	32,040,000	0.17%	166.78	192,107	19,311,926,242
2007	24,608,000	2,040,000	18,145,000	44,793,000	0.20%	219.16	204,383	22,056,878,117
2008	27,535,000	1,405,000	18,145,000	47,085,000	0.20%	224.17	210,044	23,147,516,415
2009	66,020,000	725,000	18,145,000	84,890,000	0.38%	394.68	215,084	22,504,475,815
2010	67,097,000	-	17,855,000	84,952,000	0.41%	396.33	214,346	20,616,380,982

Note: Development Authority bonds are issued by the Development Authority, a component unit of the County, but through an agreement the County is responsible for debt service payments over and above revenue generated by the authority to pay the bonds.

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a component unit of the County, but through an agreement the County is responsible for debt service payments over and above revenue generated by the authority to pay the bonds.

CHEROKEE COUNTY, GEORGIA

DIRECT GENERAL OBLIGATION AND OVERLAPPING GENERAL OBLIGATION AND GUARANTEED REVENUE DEBT
DECEMBER 31, 2010

(Unaudited)

General Obligation Debt:		
2005 Issue	$ 7,130,000	
2006 Issues	2,039,000	
2008 Issues	5,106,000	
2009 Issue	42,055,000	
2010 Issue	10,767,000	
Total General Obligation Debt		$ 67,097,000
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	17,855,000	
Total Guaranteed Revenue Debt		17,855,000
Overlapping General Obligation Debt		
Cherokee County School System	256,990,000	
Total Overlapping Debt		256,990,000
Total Direct and Overlapping Debt		$ 341,942,000
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	$ 313.03	
Direct Guaranteed Revenue Debt	83.30	
Overlapping General Obligation Debt	1,198.95	
	$ 1,595.28	

(1) Based on estimated population of 214,346 as provided by Cherokee County Planning and Zoning Department

CHEROKEE COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

(dollars in thousands) **(Unaudited)**

	Fiscal Year									
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Assessed Value	$ 4,588,095	$ 5,265,433	$ 5,656,800	$ 6,202,270	$ 6,901,638	$ 7,724,770	$ 8,822,751	$ 9,259,007	$ 9,001,790	$ 8,246,552
Debt Limit: 10% of assessed value	458,810	526,543	565,680	620,227	690,164	772,477	882,275	925,901	900,179	824,655
Less: Debt applicable to debt limit	23	15	8	-	20	29	25	28	66	67
Legal Debt Margin	$ 458,787	$ 526,528	$ 565,672	$ 620,227	$ 690,144	$ 772,448	$ 882,250	$ 925,873	$ 900,113	$ 824,588

CHEROKEE COUNTY, GEORGIA

PLEDGED- REVENUE COVERAGE
LAST TEN FISCAL YEARS
(dollars in thousands)

	Development Authority Revenue Bonds				Special Purpose Local Option Sales Tax Bonds					
		Debt Service						Debt Service		
Fiscal Year	Land Sales	Principal	Interest	Coverage	Sales Tax	Less: Projects	Net Available Revenue	Principal	Interest	Coverage
2001	213	$ 610	$ 722	0.16	$ 21,625	$ 15,781	$ 5,844	$ -	$ 890	6.57
2002	610	575	758	0.46	22,160	11,926	10,234	7,500	1,335	1.16
2003	-	615	720	-	23,031	15,782	7,249	7,500	960	0.86
2004	240	655	680	0.18	25,624	19,293	6,331	7,500	641	0.78
2005	258	705	636	0.19	27,463	23,414	4,049	7,500	323	0.52
2006	10,719	560	401	11.15	31,674	31,866	(192)	-	916	(0.21)
2007	305	600	176	0.39	31,977	28,528	3,449	4,792	1,295	0.57
2008	-	680	93	-	29,254	27,980	1,274	6,515	1,049	0.17
2009	-	725	48	-	28,212	24,942	3,270	9,690	2,573	0.27
2010	733	725	48	0.95	27,592	22,559	5,033	6,745	804	0.67

CHEROKEE COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year Ended	Estimated Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
12/31/2001	156,185	$ 4,914,049	$ 31,463	31.8	27,190	3.20%
12/31/2002	157,973	4,728,764	29,934	32.6	27,606	3.60%
12/31/2003	164,100	4,879,842	29,737	33.4	27,698	3.90%
12/31/2004	170,885	5,227,372	30,590	34.2	29,416	3.00%
12/31/2005	184,211	5,176,329	28,100	33.6	33,000	3.90%
12/31/2006	192,107	5,398,207	28,100	35.8	35,057	4.40%
12/31/2007	204,363	7,006,648	32,358	33.8	36,276	4.30%
12/31/2008	210,044	7,078,483	33,700	33.0	36,500	8.20%
12/31/2009	215,084	7,248,331	33,700	35.2	38,105	10.01%
12/31/2010	214,346	6,394,370	29,832	34.1	38,585	8.90%

Sources: Georgia Department of Labor, Bureau of the Census, Atlanta Regional Commission, Cherokee County School District and the Cherokee County Development Authority.

CHEROKEE COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND THREE YEARS AGO

	2010			2007 **		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Cherokee County Schools	4,535	1	*	3,800	1	*
Cherokee County Government	1,297	2	*	1,322	2	*
Pilgrams Pride Corp.	840	3	*	*	*	*
Northside-Cherokee Hospital	767	4	*	*	*	*
Chart Inc.	332	5	*	*	*	*
Universal Alloy Corporation	235	6	*	*	*	*
Meyn America, Inc.	234	7	*	*	*	*
City of Woodstock	195	8	*	*	*	*
Piolax Corporation	186	9	*	*	*	*
Reinhart College	185	10	*	*	*	*

* Information is not readily available.
** 2007 is the oldest data available
Source: Cherokee County Chamber of Commerce

CHEROKEE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Commission Chairman	1	1	1	1	1	1	1	1
Post Commissioners	4	4	4	4	4	4	4	4
TOTAL COUNTY COMMISSION	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**
County Clerk	1	1	1	1	1	1	1	1
TOTAL COUNTY CLERK	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
County Manager	1	1	1	1	1	1	1	1
Executive Assistant	1	1	1	1	1	1	1	1
Community Development Coordinator	1	1	0	0	0	0	2	1
Receptionist	2	2	2	2	2	2	1	1
Part-Time Intern	0	0	0	0	0	0	0	1
Clerk	0	0	1	0	0	0	0	0
Part-Time Receptionist	1	1	0	0	0	0	0	1
TOTAL COUNTY MANAGER	**6**	**6**	**5**	**4**	**4**	**4**	**5**	**6**
Community Services Agency Director	0	0	1	1	1	1	1	1
Clerk	0	0	1	1	1	1	1	1
TOTAL COMMUNITY SERVICES	**0**	**0**	**2**	**2**	**2**	**2**	**2**	**2**
Chief Registrar	1	1	0	0	0	0	0	0
Elections Supervisor	0	0	1	1	1	1	1	1
Registration Assistant	2	2	0	0	0	0	1	2
Voter Registration Agent	0	0	2	2	2	2	0	0
Community Outreach Specialist	0	0	0	0	0	0	1	1
Senior Clerk	0	0	5	5	5	5	2	1
Electronic Voting Technician	0	0	0	0	0	0	1	1
Clerk 1	2	2	1	1	1	1	0	1
Clerk 2	5	5	0	0	0	0	0	0
PR Election Poll Workers	0	0	0	0	0	0	0	1
Part-Time Clerk	2	2	2	2	2	2	3	2
TOTAL VOTER REGISTRATION	**12**	**12**	**11**	**11**	**11**	**11**	**9**	**11**
Support Services Agency Director	1	1	1	1	1	1	1	0
Chief Financial Officer	0	0	0	0	0	0	0	1
Senior Accountant	0	0	1	1	1	1	1	1
Accountant	3	3	2	1	1	1	1	2
Expenditure Supervisor	0	0	0	0	0	0	0	1
Payroll Specialist	1	1	1	1	1	1	1	0
Accountants Payable Supervisor	1	1	1	1	1	1	1	1
Accountants Payable Clerk	1	1	1	2	1	1	2	1
Administrative Assistant	0	0	1	0	1	1	1	0
Part-Time Clerk	0	0	0	1	1	1	0	0
TOTAL FINANCE	**7**	**7**	**8**	**8**	**8**	**8**	**8**	**7**
Clerk I	2	2	1	2	2	2	0	0
Clerk II	1	1	0	0	0	0	0	0
Part-Time Clerk	0	0	1	0	0	0	0	0
TOTAL BUSINESS LICENSES	**3**	**3**	**2**	**2**	**2**	**2**	**0**	**0**
Development Service Supervisor	0	0	0	0	0	0	1	1
Development Services Rep	0	0	0	0	0	0	4	3
TOTAL COMMUNITY DEVELOPMENT SERVICES	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**4**
Purchasing/Risk Mgmt Division Manager	1	1	1	1	1	1	1	1
Purchasing Clerk	1	1	1	1	1	1	1	2
TOTAL PURCHASING	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**3**
County Attorney	1	1	1	1	1	1	0	0
Administrative Assistant	1	1	1	1	1	1	0	0
TOTAL COUNTY ATTORNEY	**2**	**2**	**2**	**2**	**2**	**2**	**0**	**0**
IT Director	1	1	1	1	1	1	1	1
SR DBA/DATA Manager	0	0	0	0	0	0	1	1
Systems Analyst I	3	3	4	4	4	4	4	5
Systems Analyst II	0	0	1	1	1	1	2	2
Network Security Mail Administrator	0	0	0	0	0	0	1	1
Network Systems Manager	1	1	1	1	1	1	1	1
Webmaster	1	1	1	1	1	1	1	1
Systems Information Manager	1	1	1	1	1	1	1	1
Part-Time Intern Technician	1	1	0	0	0	0	0	0
Senior Systems Analyst	1	1	1	1	1	1	0	0
TOTAL INFORMATION TECHNOLOGY	**9**	**9**	**10**	**10**	**10**	**10**	**12**	**13**

CHEROKEE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
GIS - Mapping Manager	1	1	1	1	1	1	1	1
Senior Tax Mapper	1	1	1	1	1	1	1	0
Tax Mapper	1	1	1	1	1	1	1	0
GIS Technician I	0	0	0	0	0	0	0	2
GIS Analyst	0	0	0	0	0	0	0	1
Address Coordinator	0	0	0	1	1	1	1	0
TOTAL GEOGRAPHICAL INFORMATION	**3**	**3**	**3**	**4**	**4**	**4**	**4**	**4**
Human Resources Director	1	1	1	1	1	1	1	1
Employment Coordinator	0	0	0	0	0	0	1	1
Benefits Coordinator	1	1	1	1	1	1	1	1
HR Specialist/Benefits Coordinator	0	0	1	1	1	1	0	0
Benefits Analyst	0	0	0	0	0	0	0	1
Human Resources Assistant	1	1	1	1	1	1	1	1
TOTAL HUMAN RESOURCES	**3**	**3**	**4**	**4**	**4**	**4**	**4**	**5**
Tax Commissioner	1	1	1	1	1	1	1	1
Deputy Tax Commissioner	1	1	1	1	1	1	1	1
Chief Deputy Tax Commissioner	0	0	0	0	0	0	0	1
Tax Administrator	1	1	1	1	1	1	1	0
Assistant Tax Administrator	1	1	1	1	1	1	1	1
Title Report/Inventory Clerk	0	0	0	0	0	0	2	2
Tag Bookkeeper	1	1	1	1	1	1	0	1
Assistant Tag Bookkeeper	1	1	1	1	1	1	0	0
Part-Time Clerical	0	0	0	0	0	0	1	1
Supervisor	1	1	2	2	2	2	2	2
Senior Tax Clerk	1	1	24	24	24	24	17	19
Receptionist	0	0	0	0	0	0	0	1
Clerk I	24	24	0	0	0	0	0	0
Clerk II	2	2	0	0	0	0	0	0
TOTAL TAX COMMISSIONER	**34**	**34**	**32**	**32**	**32**	**32**	**26**	**30**
Chief Appraiser	1	1	1	1	1	1	1	1
Deputy Chief Appraiser	1	1	1	1	1	1	1	1
Senior Appraiser	4	4	4	4	4	4	4	4
Lead Appraiser	5	5	5	5	5	5	5	5
Appraiser	9	9	9	11	11	11	10	10
PT Clerical	0	0	0	0	0	0	1	1
Appraisal Clerk	6	6	6	6	6	6	0	0
Receiver of Records	0	0	0	0	0	0	1	1
Senior Clerk	0	0	0	0	0	0	6	5
Appraisal Clerk Coordinator	1	1	1	1	1	1	0	0
Secretary	4	4	4	4	4	4	3	3
TOTAL TAX ASSESSOR	**31**	**31**	**31**	**33**	**33**	**33**	**32**	**31**
Director - Property Management	1	1	1	1	1	1	1	1
Maintenance Worker I	1	1	2	2	2	2	1	1
Maintenance Worker II	1	1	0	0	0	0	0	0
Maintenance Technician	2	2	2	3	3	3	7	7
TOTAL PROPERTY MANAGEMENT	**5**	**5**	**5**	**6**	**6**	**6**	**9**	**9**
Director	1	1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1
Parts	0	0	0	0	0	0	1	1
Mechanic I	1	2	2	2	2	2	1	0
Mechanic II	4	4	5	5	5	5	6	6
Mechanic III	2	2	2	2	2	2	2	2
Master Mechanic	1	1	0	0	0	0	0	0
TOTAL FLEET SERVICES	**10**	**11**	**11**	**11**	**11**	**11**	**12**	**11**
Court Reporter	3	3	3	3	3	3	3	5
Chief Baliff	0	0	0	0	0	0	0	1
Full Time Bailiff	0	0	1	1	1	1	1	0
Part-Time Bailiff	12	12	11	13	13	13	15	15
TOTAL COURT ADMINISTRATION	**15**	**15**	**15**	**17**	**17**	**17**	**19**	**21**
Court Reporter	2	2	2	2	2	2	3	3
TOTAL SUPERIOR COURT	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**
Law Clerk	2	2	2	2	2	2	3	3
TOTAL SUPERIOR COURT LAW CLERKS	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**
Director of Pre-Trial Services	1	1	1	1	1	1	1	1
Counselor/Investigator	1	1	1	0	0	0	0	0
Part-Time Clerk	0	0	1	0	0	0	0	0
Administrative Secretary	0	1	0	0	0	0	0	0
TOTAL PRE-TRIAL SERVICES	**2**	**3**	**3**	**1**	**1**	**1**	**1**	**1**
Counselor/Investigator	0	0	0	2	2	2	2	2
Investigator	0	0	0	1	1	1	0	0
Director Indigent Defense	0	0	0	0	0	0	1	1
Clerk	0	0	0	1	1	1	1	1
TOTAL INDIGENT DEFENSE	**0**	**0**	**0**	**4**	**4**	**4**	**4**	**4**

CHEROKEE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Clerk of Superior Court	1	1	1	1	1	1	1	1
Chief Deputy Clerk	1	1	1	1	1	1	1	1
Chief Clerk	0	0	0	0	0	0	1	1
Senior Deputy Clerk	8	8	7	7	7	7	6	6
Senior Clerk	18	18	18	18	18	18	17	17
Clerk	19	19	18	18	18	18	20	19
Clerk II	0	0	1	1	1	1	7	7
Temp Clerical	0	0	0	0	0	0	2	4
Jury manager	0	0	0	0	0	0	1	1
Records Technician	2	2	0	0	0	0	0	0
Part-Time Clerk	2	2	4	4	4	4	5	5
Bookkeeper	0	0	1	1	1	1	0	0
TOTAL COURT CLERK	**51**	**51**	**51**	**51**	**51**	**51**	**61**	**62**
Assistant District Attorney	5	5	5	6	6	6	8	8
Senior Investigator	0	0	1	1	1	1	0	0
Investigator	9	9	9	9	9	9	11	12
Senior Secretary	6	6	5	5	5	5	6	6
Victim Witness Advocate	1	1	1	1	1	1	0	0
Victim Witness Specialist	1	1	1	1	1	1	0	0
Financial Director	0	0	0	0	0	0	1	1
DA Diversion Program Director	1	1	1	1	1	1	0	0
Receptionist	1	1	1	1	1	1	0	0
PT Clerical	0	0	0	0	0	0	0	2
TOTAL DISTRICT ATTORNEY	**24**	**24**	**24**	**25**	**25**	**25**	**26**	**29**
Victim Witness Coordinator	1	1	1	1	1	1	1	1
VW Asst Coordinator	0	0	0	0	0	0	1	1
Victim Witness Advocate	2	2	2	2	2	2	4	3
TOTAL VICTIM OF CRIME GRANT	**3**	**3**	**3**	**3**	**3**	**3**	**6**	**5**
State Court Judge	2	2	2	2	2	2	2	3
Court Administrator/Court Reporter	1	1	1	1	1	1	0	0
Administrative Assistant	1	1	1	1	1	1	1	1
Law Clerk	1	1	1	1	1	1	1	1
Senior Secretary	1	1	1	1	1	1	1	1
TOTAL STATE COURT	**6**	**6**	**6**	**6**	**6**	**6**	**5**	**6**
Solicitor	1	1	1	1	1	1	1	1
Assistant Solicitor	3	3	3	5	5	5	7	7
Chief Assistant Solicitor	0	0	0	0	0	0	1	1
Lead Asst Solicitor	0	0	0	0	0	0	1	1
Investigator	1	1	3	3	3	3	3	3
Clerk	2	2	0	1	1	1	1	1
Clerk II	0	0	5	3	3	3	3	3
Law Clerk	0	1	0	0	0	0	0	0
Secretary	1	2	2	2	2	2	2	2
Secretary II	2	0	1	1	1	1	2	2
Receptionist	0	1	0	0	0	0	0	0
Trial Assistant	1	0	0	0	0	0	2	2
Victin Aitness Advocate	0	0	0	0	0	0	1	1
Part-Time Clerk	2	2	0	3	3	3	2	2
TOTAL STATE COURT SOLICITOR	**13**	**13**	**15**	**19**	**19**	**19**	**26**	**26**
Director	0	0	0	1	1	1	1	1
Receptionist	0	0	0	1	1	1	1	0
Admin Assistant	0	0	0	0	0	0	0	1
Part Time	0	0	0	0	0	0	0	1
TOTAL DUI COURT	**0**	**0**	**0**	**2**	**2**	**2**	**2**	**3**
Chief Magistrate Judge	1	1	1	2	2	2	2	1
Chief Associate Magistrate Judge	0	0	0	0	0	0	0	1
Chief Deputy Clerk	2	2	1	1	1	1	0	0
Clerk of Magistrate Court	1	1	1	1	1	1	0	0
Deputy Clerk	2	2	2	2	2	2	0	0
Part-Time Assistant Magistrate Judge	6	6	6	5	0	0	0	0
Part-Time County/State	0	0	0	0	0	0	4	5
Part-Time Intern Assistant	1	1	1	1	1	1	0	0
TOTAL MAGISTRATE COURT	**13**	**13**	**12**	**12**	**7**	**7**	**6**	**7**
Probate Court Judge	1	1	1	1	1	1	1	1
Director-Licensing Operation	0	0	0	0	0	0	0	1
Hearing Officer	0	0	1	1	1	1	1	1
Chief Deputy Clerk	1	1	1	1	1	1	0	0
Senior Deputy Clerk	2	2	4	4	4	4	5	5
Clerk II	0	0	0	0	0	0	1	1
Deputy Clerk	4	4	1	1	1	1	1	0
Part-Time Clerk	0	1	0	0	0	0	0	0
TOTAL PROBATE COURT	**8**	**9**	**8**	**8**	**8**	**8**	**9**	**9**

Information not availiable prior to 2003

Source: Cherokee County Human Resources Department

CHEROKEE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Juvenile Court Judge	2	2	2	2	2	2	2	2
Administrative Asistant	0	0	0	0	0	0	2	2
Administration Coordinator	2	2	2	2	2	2	0	0
Juvenile Court Program Mgr	0	0	0	0	0	0	1	1
Intake Officer	1	1	1	1	1	1	1	1
TOTAL JUVENILE COURT	**5**	**5**	**5**	**5**	**5**	**5**	**6**	**6**
Sergeant	1	1	1	0	0	0	0	0
Captain	0	0	0	0	0	0	1	1
Corporal	2	2	2	2	2	2	1	1
Deputy	5	5	5	5	5	5	9	10
TOTAL DRUG TASK FORCE	**8**	**8**	**8**	**7**	**7**	**7**	**11**	**12**
Deputy	0	0	0	2	2	2	0	0
TOTAL HEAT GRANT	**0**	**0**	**0**	**2**	**2**	**2**	**0**	**0**
Administrative Assistant	1	1	1	1	1	1	0	0
Captain	1	1	1	1	1	1	1	1
Chief Deputy	1	1	1	1	1	1	1	1
Clerk	1	2	2	2	2	2	2	4
Communications Officer	2	2	2	2	2	2	0	0
Corporal	2	2	1	1	1	1	0	0
Deputy	2	0	2	2	2	2	2	2
Director Administration	0	0	0	0	0	0	1	1
Evidence Custodian	0	1	1	1	1	1	2	3
Executive Assistant	0	0	0	0	0	0	1	1
Fleet Coordinator	2	1	0	0	0	0	0	0
Human Resources Coordinator	1	1	1	1	1	1	1	1
Information Systems Analyst	1	1	1	1	1	1	1	1
Lieutenant	1	2	2	3	3	3	2	3
Major	1	1	1	1	1	1	0	0
Principal Secretary	1	1	1	1	1	1	0	0
Records Clerk	1	1	1	1	1	1	0	0
Records Coordinator	0	0	0	0	0	0	1	1
Secretary	4	2	3	3	3	3	2	0
Senior Secretary	0	0	0	0	0	0	1	1
Senior Clerk	1	2	1	1	1	1	1	1
Sergeant	2	2	2	2	2	2	0	0
Sheriff	2	1	1	1	1	1	1	1
TOTAL SHERIFF ADMINISTRATION	**25**	**25**	**25**	**26**	**26**	**26**	**20**	**22**
Captain	1	1	1	1	1	1	1	1
Sergeant	3	3	3	3	3	3	4	4
Corporal	11	11	10	10	10	10	7	8
Lieutenant	1	1	1	1	1	1	3	3
Major	0	0	0	0	0	0	0	1
Deputy	10	14	12	12	12	12	11	10
Principal Secretary	1	1	1	1	1	1	1	1
Forensic Comp Technician	0	1	1	1	1	1	1	0
Crime Analyst	0	0	1	1	1	1	0	0
Clerk	3	3	3	3	3	3	4	3
TOTAL CRIMINAL INVESTIGATION	**30**	**35**	**33**	**33**	**33**	**33**	**32**	**31**
Captain	0	0	1	1	1	1	1	1
Sergeant	0	0	1	1	1	1	0	0
Clerk	0	0	0	0	0	0	0	1
Crime Analyst	0	0	0	0	0	0	1	1
Corporal	0	0	2	2	2	2	3	4
Forensic Computer Technician	0	0	0	0	0	0	1	1
Lieutenant	0	0	1	1	1	1	0	0
Deputy	0	0	3	3	3	3	2	1
TOTAL MAJOR CRIMES UNIT	**0**	**0**	**8**	**8**	**8**	**8**	**8**	**9**
Agent	1	0	1	1	1	1	0	0
Admin	0	0	0	0	0	0	1	1
Captain	1	1	1	1	1	1	5	5
Clerk	7	2	2	2	2	2	2	0
Corporal	13	13	15	15	15	15	14	13
Deputy	15	68	76	76	76	76	84	73
Lieutenant	66	7	6	6	6	6	7	6
Major	0	1	1	1	1	1	1	1
Sergeant	1	15	16	16	16	16	20	22
Warrant Office Coordinator	2	1	1	1	1	1	1	0
TOTAL UNIFORM PATROL	**106**	**108**	**119**	**119**	**119**	**119**	**135**	**121**

Information not availiable prior to 2003

Source: Cherokee County Human Resources Department

CHEROKEE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Captain	0	0	0	0	0	0	1	0
Clerk	0	0	0	0	0	0	1	0
Corporal	0	0	0	0	0	0	1	1
Deputy	0	0	0	0	0	0	2	2
Lieutenant	0	0	0	0	0	0	1	1
Secretary II	0	0	0	0	0	0	1	1
Sergeant Sherriff	0	0	0	0	0	0	1	1
Total Sherriff Training Division	**0**	**0**	**0**	**0**	**0**	**0**	**8**	**6**
Captain	1	1	1	1	1	1	1	1
Control Room Operator	1	1	0	1	1	1	1	1
Comm Officer	0	0	0	0	0	0	0	8
Corporal	0	0	2	1	1	1	1	3
Clerk	0	0	0	0	0	0	0	2
TAC Officer	0	0	0	0	0	0	0	2
Deputy	16	16	16	16	16	16	26	34
Lieutenant	0	0	0	0	0	0	0	1
Warrant Office Coordinator	0	0	0	0	0	0	0	1
Sergeant	1	1	1	1	1	1	1	1
TOTAL COURT SECURITY	**19**	**19**	**20**	**20**	**20**	**20**	**30**	**54**
Lieutenant	1	1	1	1	1	1	1	1
Corporal	1	0	1	1	1	1	0	0
Sergeant	1	0	1	1	1	1	1	0
Secretary	0	0	1	1	1	1	1	1
Clerk	0	1	0	0	0	0	0	0
TOTAL SHERIFF INTERNAL AFFAIRS	**3**	**2**	**4**	**4**	**4**	**4**	**3**	**2**
Part-Time Crossing Guard	13	15	15	15	15	15	14	14
TOTAL CROSSING GUARDS	**13**	**15**	**15**	**15**	**15**	**15**	**14**	**14**
Bond Administrator	1	1	1	1	1	1	1	1
Captain	1	1	1	1	1	1	1	1
Clerk II	0	0	0	0	0	0	1	1
Clerk	1	7	7	7	7	7	3	3
Communications Officer	4	5	5	5	5	5	8	0
Corporal	6	6	6	6	6	6	9	9
Deputy	107	112	117	117	117	117	97	97
Inmate Court Coordinator	0	0	0	0	0	0	2	2
Lieutenant	5	4	4	5	5	5	4	4
Maintenance Supervisor	2	1	1	1	1	1	1	1
Maintenance Technician	1	1	1	1	1	1	2	2
Major	1	1	1	1	1	1	1	1
Part-Time Chaplain	0	1	0	0	0	0	0	0
Part-Time Deputy	0	0	0	0	0	0	4	5
Receptionist	0	0	0	0	0	0	2	1
Records Clerk	1	2	1	1	1	1	1	1
Senior Clerk	0	1	1	1	1	1	0	0
Secretary I	0	0	0	0	0	0	1	1
Sergeant	1	4	5	5	5	5	5	5
TAC Officer	1	2	2	2	2	2	2	0
TOTAL ADULT DETENTION CENTER	**132**	**149**	**153**	**154**	**154**	**154**	**145**	**135**
Administrative Assistant	1	3	2	1	1	1	2	2
Deputy Fire Marshal	3	1	0	0	0	0	0	0
Division Chief	1	1	1	1	1	1	1	1
Executive Assistant	1	0	1	1	1	1	1	1
Fire Chief	0	0	0	0	0	0	1	1
Fire Equip Supply Officer	1	0	1	1	1	1	1	1
Fire Inspector	0	2	0	0	0	0	0	0
Fire Marshal	1	1	0	0	0	0	0	0
Fire Protection Engineer	1	1	0	0	0	0	0	0
Fire Supply Office	2	1	0	0	0	0	0	0
Fire/EMS Agency Director	1	1	1	1	1	1	0	0
Fleet Operations Coordinator	1	1	0	0	0	0	0	0
HR Specialist	0	0	0	0	0	0	1	1
Information Systems Analyst	0	1	0	0	0	0	1	1
Maintenance Technician	0	0	0	0	0	0	0	1
Logistics Officer	0	0	1	1	1	1	1	1
Part Time	0	0	0	0	0	0	0	1
Public Affairs Officer	0	1	1	1	1	1	1	1
Safety Officer	1	0	0	1	1	1	0	1
Special Projects Officer	0	0	1	1	1	1	1	1
Warehouse Specialist	0	0	1	1	1	1	1	1
TOTAL FIRE ADMINISTRATION	**14**	**14**	**10**	**10**	**10**	**10**	**12**	**15**
Fire Marshal	0	0	1	1	1	1	1	1
Captain	0	0	0	0	0	0	0	1
Deputy Fire Marshal	0	0	1	1	1	1	0	1
Plans Examiner	0	0	2	2	2	2	3	1

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Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
PY Plans Examiner	0	0	0	0	0	0	0	1
Administrative Assistant	0	0	1	1	1	1	0	0
Fire Inspector	0	0	2	2	2	2	2	0
TOTAL FIRE MARSHAL	**0**	**0**	**7**	**7**	**7**	**7**	**6**	**5**
Administrative Assistant	16	1	0	1	1	1	1	1
Arson Investigator	14	1	1	1	1	1	1	1
Battalion Chief	10	11	6	10	10	10	10	10
Division Chief	11	0	1	2	2	2	2	2
Fire Apparatus Operation	10	0	18	35	35	35	60	53
Fire Apparatus Operator/ Paramedic	61	0	0	7	7	7	14	26
Fire Captain	9	9	15	10	10	10	12	12
Fire Fighter Entry Level	0	0	0	0	0	0	3	0
Fire Fighter Advanced	0	10	0	0	0	0	0	0
Fire Fighter II	3	17	0	0	0	0	0	0
Fire Fighters	1	16	25	40	40	40	16	7
Fire Lieutenant	1	10	12	12	12	12	21	23
Fire Sergeant	0	61	69	69	69	69	66	68
Medcon	0	3	0	0	0	0	0	0
Operations Chief	0	1	0	0	0	0	0	0
Paramedic	0	0	0	1	1	1	0	0
Part-Time Fire Fighter	26	27	1	31	31	31	0	10
TOTAL FIRE FIGHTING	**162**	**167**	**148**	**219**	**219**	**219**	**206**	**213**
Community Educator I	1	1	1	1	1	1	1	0
Community Educator II	1	1	1	0	0	0	1	1
Community Educator III	0	0	1	1	1	1	1	1
TOTAL FIRE PREVENTION	**2**	**2**	**3**	**2**	**2**	**2**	**3**	**2**
Safety Officer	1	1	1	0	0	0	0	0
Training Officer	1	0	0	0	0	0	3	2
Fire Instructor II	1	2	0	0	0	0	0	0
Sergeant	2	1	1	1	1	1	3	2
Division Chief	0	1	1	1	1	1	1	1
Administrative Assistant	0	0	0	1	1	1	1	1
TOTAL FIRE TRAINING	**5**	**5**	**3**	**3**	**3**	**3**	**8**	**6**
Division Chief	1	0	1	1	1	1	1	1
Captain	0	0	0	0	0	0	2	2
EMS Coordinator	1	1	0	1	1	1	0	0
Training Officer	0	0	0	0	0	0	1	2
Fire Apparatus Operator	16	0	28	21	21	21	27	22
Fire Apparatus Operator/ Paramedic	0	0	0	1	1	1	8	14
Fire Fighter	28	1	17	8	8	8	7	8
Fire Fighter II	1	28	0	0	0	0	0	0
Medcon	0	0	3	2	2	2	3	3
Medical Director	0	1	0	0	0	0	0	0
Firefighter - Entry Level	0	0	0	0	0	0	1	0
Paramedic	0	16	0	1	1	1	0	1
Quality/QI	0	0	0	0	0	0	1	1
Sergeant - Fire	0	0	0	0	0	0	1	1
Paramedic Instructor	0	0	0	1	1	1	0	0
Part-Time Fire Fighter	9	9	0	0	0	0	0	0
TOTAL EMERGENCY MEDICAL SERVICES	**56**	**56**	**49**	**36**	**36**	**36**	**52**	**55**
Chief Coroner	1	1	1	1	1	1	1	1
Part-Time Medical Examiner	2	2	2	2	2	2	2	2
TOTAL COUNTY CORONER	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
Administrative Assistant	0	2	1	1	1	1	1	1
Accreditation Manager	0	0	0	0	0	0	1	1
Assistant Director	1	0	0	1	1	1	1	1
CAD Manager	0	1	1	1	1	1	1	1
Call taker	0	0	0	0	0	0	1	0
Communication Officer in Training	2	2	5	5	5	5	6	3
Communications Officer I	2	2	4	7	7	7	0	1
Communications Officer II	19	2	0	0	0	0	0	0
Communications Officer III	2	21	21	21	21	21	23	29
Communications Supervisor	2	4	4	4	4	4	4	4
Director	3	0	1	1	1	1	1	1
Division Chief	1	1	0	0	0	0	0	4
Lead Communications Officer	1	3	4	4	4	4	4	0
Operations Officer	1	1	0	0	0	0	0	0
Part-Time Call Takers	1	14	14	14	14	14	0	0
Part-Time	0	0	0	0	0	0	1	1
Part-Time Clerical	0	0	0	0	0	0	7	8
Records Coordinator	0	0	0	0	0	0	1	0
TAC Assistant	1	1	1	1	1	1	0	1
TAC Officer	4	1	1	1	1	1	1	1
Training Officer	11	1	1	1	1	1	1	1
TOTAL EMERGENCY-9-1-1	**51**	**56**	**58**	**62**	**62**	**62**	**54**	**58**

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Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Animal Control Officer	4	4	5	5	5	5	6	6
TOTAL ANIMAL CONTROL	**4**	**4**	**5**	**5**	**5**	**5**	**6**	**6**
Clerk	1	1	1	1	1	1	0	0
Director	11	1	1	1	1	1	0	1
Animal Care Technician	0	0	0	0	0	0	1	1
Animal Health Technician	0	0	0	0	0	0	3	3
Animal Care Supervisor	0	0	0	0	0	0	1	2
Animal Support Specialist 1	0	0	0	0	0	0	4	4
Animal Support Specialist 2	0	0	0	0	0	0	3	2
Kennel Staff	1	11	13	13	13	13	0	0
Kennel Team Leader	1	1	1	1	1	1	0	0
Office Team Leader	1	1	0	0	0	0	0	0
Adopt/Shelter Supervisor	0	0	0	0	0	0	1	1
PT /Animal Kennel	0	0	0	0	0	0	1	2
Tech Assistant	2	0	1	1	1	1	0	0
Admin	0	0	0	0	0	0	1	1
Veterinarian Tech	0	2	0	0	0	0	0	0
TOTAL ANIMAL SHELTER	**17**	**17**	**17**	**17**	**17**	**17**	**15**	**17**
Director	0	1	1	1	1	1	0	0
Director/Homeland Security	0	0	0	0	0	0	1	1
Homeland Deputy Director	0	0	0	0	0	0	1	1
Emergency Man Hazard Mitigation	0	0	0	0	0	0	1	1
EMA Specialist	0	1	0	0	0	0	0	0
Administrative Assistant	0	2	1	1	1	1	0	0
TOTAL EMERGENCY MANAGEMENT	**0**	**4**	**2**	**2**	**2**	**2**	**3**	**3**
Administrative Assistant	1	1	2	2	2	2	1	1
Construction Inspector	6	1	0	0	0	0	0	0
Director	3	1	1	1	1	1	1	1
Equipment Operator I	2	9	7	7	7	7	6	2
Equipment Operator II	9	5	9	9	9	9	2	2
Heavy Equipment Operator	1	4	2	2	2	2	7	3
Laborer I	9	13	15	15	15	15	13	6
Laborer II	5	7	6	6	6	6	9	7
Lead Heavy Equipment Operator	1	1	1	1	1	1	5	1
Manager	4	3	2	2	2	2	1	1
Part-Time Laborer I	13	10	11	11	11	11	1	0
Receptionist	7	1	0	0	0	0	0	0
Pavement manager	0	0	0	0	0	0	1	0
Temp Clerical	0	0	0	0	0	0	1	1
Temp Roads and Bridges	0	0	0	0	0	0	5	10
Secretary	1	1	1	0	0	0	0	0
Sign Technician	1	1	1	1	1	1	1	1
Supervisor	1	6	7	7	7	7	6	4
Truck Driver I	1	2	1	1	1	1	1	1
Truck Driver II	1	9	10	10	10	10	9	5
Truck Driver III	10	1	1	1	1	1	1	0
TOTAL ROADS AND BRIDGES	**76**	**76**	**77**	**76**	**76**	**76**	**71**	**46**
Equipment Operator I	0	0	0	0	0	0	0	4
Equipment Operator II	0	0	0	0	0	0	0	1
Heavy Equipment Operator	0	0	0	0	0	0	0	5
Laborer I	0	0	0	0	0	0	0	4
Laborer II	0	0	0	0	0	0	0	2
Lead Heavy Equipment Operator	0	0	0	0	0	0	0	4
Part-Time Laborer I	0	0	0	0	0	0	0	1
Pavement manager	0	0	0	0	0	0	0	1
Temp Roads and Bridges	0	0	0	0	0	0	0	3
Supervisor	0	0	0	0	0	0	0	2
Truck Driver II	0	0	0	0	0	0	0	4
Truck Driver III	0	0	0	0	0	0	0	1
TOTAL SPLOST ROADS AND BRIDGES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**32**
Accountant	1	1	1	1	1	1	1	1
TOTAL SPLOST ADMINISTRATION	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Program Coordinator	1	1	1	1	1	1	0	1
Administrative Assistant	1	1	1	1	1	1	0	0
Engineering Liaison	1	1	1	1	1	1	0	0
Construction Inspector	1	1	1	1	1	1	1	1
Construction Manager	1	1	1	1	1	1	1	1
Part-Time Engineering Technician	3	3	3	3	3	3	3	3
Part-Time Administrative Assistant	1	1	1	1	1	1	0	0
TOTAL SPLOST ENGINEERING	**9**	**9**	**9**	**9**	**9**	**9**	**5**	**6**
Development Director	1	1	1	1	1	1	1	1
Engineering Assistant	1	1	1	1	1	1	0	0
Development Coordinator	1	1	1	1	1	1	0	0
Development Inspector	3	3	3	3	3	3	0	3
TOTAL ENGINEERING DEVELOPMENT	**6**	**6**	**6**	**6**	**6**	**6**	**1**	**4**

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Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Erosion Technician	0	0	0	0	0	0	1	0
PY Stormwater Inspector	0	0	0	0	0	0	0	1
Stormwater Coordinator	0	0	0	0	0	0	1	1
Stormwater Inspector	0	0	0	0	0	0	1	1
Preconstruction Storm Water Engineer	0	0	0	0	0	0	1	1
TOTAL STORMWATER	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**4**
Administrative Assistant	4	1	1	1	1	1	1	1
Agency Director	0	0	0	0	0	0	1	1
Assistant Director	1	1	1	1	1	1	0	0
Development Technician	1	1	1	1	1	1	0	0
Environmental Engineer	1	1	1	1	1	1	0	0
Arborist	0	0	0	0	0	0	1	1
Asst County Engineer	0	0	0	0	0	0	1	1
Engineering Technician	0	0	0	0	0	0	1	1
Preconstruction Transportation Engineer	0	0	0	0	0	0	1	1
Erosion Inspector	1	1	0	0	0	0	0	0
Erosion Technician	1	4	4	4	4	4	0	0
GIS Technician	1	1	1	1	1	1	0	0
Hwy/Utility Permit Clerk	1	1	1	1	1	1	0	0
Part-Time Development Inspector	1	1	1	1	1	1	0	0
Part-Time Erosion Technician	1	1	1	1	1	1	0	0
Public Works Agency Director	1	1	1	1	1	1	0	0
TOTAL ENGINEERING	**14**	**14**	**13**	**13**	**13**	**13**	**6**	**6**
Recycling Supervisor	1	1	1	1	1	1	1	1
Environmental Coordinator	1	1	1	1	1	1	0	0
Recycling Operations Assistant	1	1	1	1	1	1	0	0
Litter Program Supervisor	1	1	1	1	1	1	0	0
Recycling Operator	2	2	2	2	2	2	0	0
Part-Time Recycling Center Driver	2	3	3	3	3	3	0	0
Part-Time Recycling Operator	0	1	1	1	1	1	2	4
TOTAL RECYCLING CENTER	**8**	**10**	**10**	**10**	**10**	**10**	**3**	**5**
Activities Coordinator	1	1	1	1	1	1	0	0
Administrative Assstant	0	0	0	0	0	0	1	1
I&A Caregiver	0	0	0	0	0	0	2	2
Maintenance Worker Part Time	0	0	0	0	0	0	1	1
Part Time Clerical	0	0	0	0	0	0	4	5
Building Supervisor	0	1	1	1	1	1	0	0
Compliance Budget Manager	0	0	0	0	0	0	0	1
Program Manager Senior Svc	0	0	0	0	0	0	0	1
Caregiver Supervisor	1	1	1	1	1	1	0	0
Case Manager	3	3	2	2	2	2	3	2
Director	2	1	1	1	1	1	1	1
HDM Supervisor/Volunteer Coordinator	2	0	0	0	0	0	1	1
Homemaker	1	2	0	0	0	0	0	0
Homemaker Aid	1	2	3	3	3	3	3	3
Homemaker Supervisor	1	0	1	1	1	1	1	1
Home delivered Meals Asst	1	0	0	0	0	0	1	1
Intake Coordinator Supervisor	1	0	1	1	1	1	0	0
Kitchen Aid	0	1	0	0	0	0	0	0
Meals Assistant	0	1	1	1	1	1	0	0
Meals Supervisor	1	0	1	1	1	1	0	0
Part-Time Activities Coordinator	0	1	1	1	1	1	0	1
Part-Time Congregate Aid	0	0	0	1	1	1	0	0
Part-Time Homemaker Aid	0	1	1	1	1	1	0	0
Part-Time Meals Driver	1	1	1	1	1	1	0	0
Part-Time Meals Supervisor	1	1	1	1	1	1	0	0
Senior Secretary	1	1	1	1	1	1	0	0
Senior Services Aid	0	0	1	1	1	1	0	0
TOTAL SENIOR SERVICES	**18**	**18**	**19**	**20**	**20**	**20**	**18**	**21**
Conservation Administrator	1	1	1	1	1	1	1	1
TOTAL CONSERVATION ADMINISTRATION	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Director	1	1	1	1	1	1	1	1
Senior Building Inspector	1	1	1	1	1	1	1	1
Building Inspector	10	8	8	8	8	8	6	5
Building Inspector Commercial	0	0	0	0	0	0	1	1
Commercial Plan Reviewer	1	1	1	1	1	1	1	0
Clerk	0	1	1	1	1	1	0	0
Senior Clerk	4	2	2	2	2	2	1	1
Part-Time Clerk	2	2	1	1	1	1	0	0
Part-Time Inspector	2	2	2	2	2	2	0	0
TOTAL BUILDING INSPECTIONS	**21**	**18**	**17**	**17**	**17**	**17**	**11**	**9**

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Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010
Community Development Agency Director	1	1	1	1	1	1	1	1
Principal Planner	1	1	1	1	1	1	1	1
Planning Clerk	1	1	1	1	1	1	0	0
Admin	0	0	0	0	0	0	1	1
Planner	0	0	0	0	0	0	2	2
Address Coordinator	1	1	1	1	1	1	0	0
Planning Technician	2	2	2	2	2	2	2	2
Zoning Administrator	1	1	1	1	1	1	1	1
TOTAL PLANNING & ZONING	**7**	**7**	**7**	**7**	**7**	**7**	**8**	**8**
Chief Marshal	1	1	1	1	1	1	1	1
Chief Deputy Marshal	0	0	1	1	1	1	1	1
Deputy Marshal	4	4	7	6	6	6	5	5
Dispatcher	1	1	0	0	0	0	0	0
Administrative Assistant	0	0	1	1	1	1	1	1
Clerk II	0	0	1	1	1	1	1	1
TOTAL CODE ENFORCEMENT	**6**	**6**	**11**	**10**	**10**	**10**	**9**	**9**
Bus Driver	0	0	0	0	0	0	12	11
Dispatcher	0	0	0	0	0	0	1	1
Part-Time	0	0	0	0	0	0	2	4
Transit Op Manager	0	0	0	0	0	0	0	1
TOTAL CATS	**0**	**0**	**0**	**0**	**0**	**0**	**15**	**17**
Director - Parks & Recreation	0	0	0	0	0	0	1	1
Asst. Director - Parks and Recreation	0	0	0	0	0	0	1	1
Business Manager	0	0	0	0	0	0	1	1
Community Events Manager	0	0	0	0	0	0	1	0
Receptionist	0	0	0	0	0	0	1	1
TOTAL CPRA ADMINISTRATION	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**4**
Part-Time Parks & Recreation	0	0	0	0	0	0	11	75
Athletic Coordinator	0	0	0	0	0	0	0	3
Athletic Div Dir	0	0	0	0	0	0	0	1
Recreation Div Dir	0	0	0	0	0	0	0	1
Recreation Leader	0	0	0	0	0	0	1	0
Recreation Assistant	0	0	0	0	0	0	1	1
Recreation Supervisor	0	0	0	0	0	0	5	2
TOTAL CPRA	**0**	**0**	**0**	**0**	**0**	**0**	**18**	**83**
Crew Leader - CRPA	0	0	0	0	0	0	3	4
Park maint Div Director	0	0	0	0	0	0	0	1
Facilities Custodian	0	0	0	0	0	0	1	0
Parks Maintenance Supervisor	0	0	0	0	0	0	0	1
Parks/Facility Manager	0	0	0	0	0	0	1	0
Park Worker I	0	0	0	0	0	0	2	4
Park Worker II	0	0	0	0	0	0	2	2
Park Worker III	0	0	0	0	0	0	2	2
Projects Coodinator	0	0	0	0	0	0	1	0
Park Services Coordinator	0	0	0	0	0	0	2	1
Part-Time Parks & Recreation	0	0	0	0	0	0	1	4
Superintendent - Parks	0	0	0	0	0	0	1	0
TOTAL CRPA MAINTENANCE	**0**	**0**	**0**	**0**	**0**	**0**	**16**	**19**

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Human Resources											
	New hires	178	202	289	159	230	244	256	286	111	88
	Terminations	137	127	146	223	185	192	202	309	158	199
	Employees eligible for health insurance plan	*	*	986	998	1,010	1,046	1,135	1,191	1,184	1,111
	Applications received	*	*	*	*	820	1,000	1,000	1,859	1,243	2,024
	Training classes conducted	*	*	*	6	2	9	2	8	8	7
	Insurance products offered	*	*	6	9	10	10	10	10	10	10
	% Total turnover	13%	12%	12%	19%	16%	16%	15%	12%	1033%	14%
	Exit interviews/COBRA	*	*	1,116	125	155	154	152	172	32	21
	Interviews conducted	*	*	*	*	400	500	500	500	**	**
Tax Commissioner											
Tax Assessor											
	Real property parcels	64,696	67,529	70,870	75,000	79,960	85,285	93,750	94,979	94,979	95,285
	Personal property acct.	10,635	12,071	16,690	13,193	12,015	11,820	12,050	12,645	11,599	12,051
	Mobile homes	3,765	3,690	3,660	3,618	3,577	3,449	3,134	3,047	3,040	2,991
	Real property field reviews	21,000	20,000	14,400	14,430	20,670	26,000	30,000	33,000	21,856	25,600
	Personal property audits	280	225	250	306	3,495	250	200	425	504	42
	Mobile home reviews	3,765	3,690	3,660	3,618	3,577	3,449	3,134	3,047	3,040	2,991
	New construction permits	2,709	2,210	2,242	2,342	2,880	2,860	2,000	1,000	485	486
	Assessment notices mailed	68,100	71,200	74,300	78,700	83,730	88,830	97,700	99,500	99,547	99,667
	Appeals processed	1,017	2,115	1,344	1,455	1,465	1,467	5,000	5,000	3,022	2,763
Finance											
	Interest earned (in 1000's)	*	*	$832	$627	$771	$2,376	$2,597	$1,287	$361	$183
	Accounts payable checks issued	*	*	16,504	19,293	17,179	17,926	18,584	22,225	19,010	18,518
	Payroll checks issued	*	*	11,222	10,021	9,288	8,782	14,560	8,322	7,370	7,848
	Payroll direct deposits issued	*	*	23,757	24,883	23,638	27,754	36,400	37,700	28,978	29,108
	Budget adjustments/amendments	*	*	368	362	197	276	175	429	88	64
Mapping/GIS											
	Total number of parcels	*	*	*	*	*	89,204	93,252	93,968	94,240	94,456
	Number of parcels added	*	*	*	*	*	*	4,048	746	272	216
Property Management											
Information Technology											
	File servers maintained	*	*	*	*	55	66	70	74	75	79
	PC's maintained	*	*	*	*	1,050	1,232	1,260	1,270	1,270	1,275
	Terminals maintained	*	*	*	*	1	1	1	1	1	***
	Peripherals maintained	*	*	*	*	900	928	940	920	900	925
	Help desk calls received	*	*	*	*	4,100	4,550	2,150	2,212	2,450	2,474
	PC installations	*	*	*	*	230	161	90	75	70	***
	Uptime availability - major application servers	*	*	*	*	91%	92%	92%	91%	90%	97%
	Help desk calls handled by in-house staff	*	*	*	*	99%	99%	99%	99%	99%	96%
	Help desk calls closed within one hour	*	*	*	*	45%	46%	47%	45%	45%	***
	Help desk calls closed within 24 hours	*	*	*	*	45%	47%	50%	48%	47%	46%
Court Administrative Services											
Superior Court											
	Total Criminal Dockets	*	*	*	*	2,119	2,020	2,749	*	1,296	1,280
	Total Criminal Defendants	*	*	*	*	2,311	2,246	3,011	*	145	146
	Total Felony Dockets	*	*	*	*	1,073	1,030	1,447	*	917	1,016

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Total Felony Defendants	*	*	*	*	1,284	1,249	1,707	*	1,056	1,183
	Criminal Felony	*	*	*	*	1,072	1,030	2,861	*	707	***
	Criminal Felony Defendants	*	*	*	*	1,284	1,249	1,707	*	145	***
	Criminal Misdeamenor	*	*	*	*	389	527	1,189	*	589	199
	Criminal Misdeamenor Defendants	*	*	*	*	526	576	0	*	269	202
	Criminal Unified Appeals	*	*	*	*	1	0	0	*	0	0
	Criminal Probation Revocation	*	*	*	*	832	767	645	*	746	696
	General Civil Cases Filed	*	*	*	*	956	1,298	1,707	2,341	2,284	1,293
	Domestic Relations Cases Filed	*	*	*	*	2,439	2,294	2,168	2,210	2,129	2,348
	Total Civil Cases Filed	*	*	*	*	3,395	3,592	3,875	4,551	4,413	3,641
Pre-Trial Services/Indigent Defense											
Juvenile Court											
	Filed	647	*	615	627	695	780	787	796	929	788
	Disposed	605	*	483	625	815	758	812	790	857	828
	Open	279	*	460	460	338	357	328	335	268	256
	Unruly		*								
	Filed	275	*	304	343	312	365	323	278	163	231
	Disposed	226	*	221	339	355	359	346	300	160	238
	Open	103	*	191	196	154	161	142	151	58	61
	Termination of Parnetal Rights		*								
	Filed	25	*	15	13	63	29	42	31	25	27
	Disposed	12	*	22	8	72	24	31	39	19	21
	Open	21	*	10	15	25	30	31	22	17	22
	Traffic		*								
	Filed	505	*	542	548	444	474	414	307	282	231
	Disposed	490	*	533	536	441	500	380	317	276	225
	Open	139	*	177	188	185	157	192	153	61	56
	Deprived	*	*	*	*	*	*	*	*	369	291
	Filed	*	*	*	*	*	*	*	*	300	234
	Disposed	*	*	*	*	*	*	*	*	186	203
	Open	*	*	*	*	*	*	*	*	0	0
	Special Proceedings	*	*	*	*	*	*	*	*	38	*
	Filed	*	*	*	*	*	*	*	*	30	*
	Disposed	*	*	*	*	*	*	*	*	20	*
	Open	*	*	*	*	*	*	*	*	0	0
	TOTAL	*	*	*	*	*	*	*	*	1,806	*
	Filed	*	*	*	*	*	*	*	*	1,642	*
	Disposed	*	*	*	*	*	*	*	*	610	*
	Open	*	*	*	*	*	*	*	*	0	0
District Attorney											
	Cases Opened	1,320	1,501	1,739	1,973	2,123	2,186	1,493	2,323	1,392	2,154
	Cases Indicted	987	1,044	1,109	1,567	1,464	1,264	1,444	859	1,298	1,286
	Juvenile Cases	1,428	1,837	1,460	1,099	1,454	1,619	1,513	2,161	1,779	1,606
State Court											
	Landlord Tenant/ Dispossessory	*	*	*	*	*	*	10	23	18	19
	All Other Civil	*	*	*	*	*	*	2,709	3,633	3,995	3,333
	Serious Traffic	*	*	*	*	*	*	630	1,059	1,044	886
	Non-Traffic Misdemeanors	*	*	*	*	*	*	2,304	2,581	1,709	1,719

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Probation Revocations	*	*	*	*	*	*	292	385	512	449
	All Other Traffic	*	*	*	*	*	*	20,620	13,843	9,636	8,122
Probate Court											
	Marriage Licenses Issued	*	*	*	1,057	1,664	1,159	1,112	1,081	960	1,010
	Firearm Licenses Issued	*	*	*	1,186	1,014	1,040	995	2,466	3,064	2,195
	Probate Filings	*	*	*	1,353	1,379	1,200	1,321	1,417	1,536	1,954
	Mental Health Proceedings	*	*	*	92	84	62	27	34	37	39
Magistrate Court											
	Felony arrest	*	*	*	2,925	3,074	2,836	2,722	*	2,808	2,821
	Misdemeanor arrest	*	*	*	2,534	2,852	3,152	3,167	*	3,892	3,180
	Search warrants	*	*	*	418	541	498	544	*	661	639
	Warrant application hearings	*	*	*	380	337	251	212	*	170	268
	First appearance bond hearings	*	*	*	5,258	6,286	6,107	6,189	*	2,412	3,793
	Commitment hearings	*	*	*	185	267	142	177	*	147	158
	Ordinance violations	*	*	*	380	672	771	628	*	930	858
	Claims cases	*	*	*	3,089	1,950	2,281	2,158	*	2,917	3,552
	Dispossessories	*	*	*	2,665	2,825	2,848	2,963	*	2,879	3,133
	Garnishments	*	*	*	267	277	258	321	*	287	270
	Foreclosures	*	*	*	233	57	45	69	*	68	52
	Abandoned	*	*	*	1,136	917	1,208	941	*	648	872
Law Enforcement											
	Physical Arrests	3,044	4,077	3,130	3,312	3,637	5,673	4,640	*	5,958	5,405
	Traffic Violations	11,154	18,454	14,521	14,182	14,278	14,705	16,786	*	10,152	9,442
	Sheriff Dispatches	83,872	98,600	148,400	191,923	207,832	214,000	196,669	*	188,748	180,891
Code Enforcement											
	Complaints	*	*	5,797	4,987	5,040	13,487	3,172	4,113	4,516	3,958
	Warnings	*	*	2,855	3,181	2,866	6,070	1,897	2,358	2,649	2,094
	Re-Inspections	*	*	2,912	3,917	2,485	6,896	1,463	2,250	3,070	2,649
	Unfounded	*	*	417	348	342	580	385	429	457	527
	N.A.T.	*	*	439	1,020	1,111	3,868	471	653	777	982
	Corrected	*	*	2,745	3,212	1,766	5,868	1,697	2,344	2,811	2,811
	Citations	*	*	334	281	395	317	302	338	351	351
Animal Control											
	Complaints	*	*	4,404	5,252	4,798	5,036	4,998	3,317	6,218	5,209
	Warnings	*	*	761	786	1,332	1,095	1,223	1,022	1,269	1,013
	Re-Inspections	*	*	18	15	4	15	254	268	263	287
	Unfounded	*	*	1,193	1,316	1,248	1,443	740	613	1,090	1,352
	N.A.T.	*	*	1,069	1,243	610	702	558	413	655	716
	Corrected	*	*	1,819	1,847	1,854	1,700	2,624	2,346	3,337	1,736
	Citations	*	*	155	168	217	305	424	452	507	828
	Animals impounded	*	*	2,772	2,224	1,837	2,242	2,161	2,231	2,176	2,193
Emergency Management Agency											
	EOC activations	*	*	12	15	15	15	13	27	9	11
	Total hours EOC activated	*	*	215	308	427	83	103	469	538	237
	Weather related damage (in millions)	*	*	*	5	6	2	1	49	57	0
Planning and Zoning											
	Rezone cases	*	*	*	*	72	102	*	*	19	21
	Zoning board of appeals cases	*	*	*	*	87	56	*	*	16	21
	Sign permits	*	*	*	*	136	256		*	90	101

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Minor subdivision plat	*	*	*	*	181	225	184	*	109	90
	Telecommunications towers	*	*	*	*	27	18	26	*	21	***
	Other/copies	*	*	*	*	85	39	*	*	*	70
	Development plan review	*	*	*	*	415	579	412	*	*	*
Building Inspections											
	Building Inspections Requested	*	*	*	*	*	*	14,902	8,627	6,096	*
	Building Inspections Conducted	*	*	*	*	*	*	14,872	8,481	6,096	228
	Single-Family building permits	2,022	1,774	1,749	1,953	1,861	1,664	1	520	210	228
	Miscellaneous permits	*	*	*	*	209	701	934	1,220	1,238	838
	Additions	285	275	343	311	153	330	457	457	274	240
	Accessory structures	237	221	234	267	128	171	73	112	57	137
	Manufactured home permits	*	*	*	51	22	24	28	29	10	25
	Commercial plan reviews	*	*	*	62	202	288	337	376	218	0
	Commercial building permits	*	*	*	55	126	207	126	101	189	20
Business License											
	New business licenses	*	*	*	*	1,627	1,924	1,589	1,358	1,262	1,096
	Business license renewals	*	*	*	*	5,277	5,379	6,041	5,748	5,812	5,425
	Other licenses	*	*	*	*	39	25	27	21	*	*
	Solicitors	*	*	*	*	33	29	20	7	6	38
Development Center											
	Residential certificates of occupancy	*	*	*	*	1,606	1,810	1,449	979	537	417
	Commercial certificates of occupancy	*	*	*	*	85	88	153	284	291	219
	Customers assisted at counter	*	*	*	*		7,819	6,001	3,886	***	***
	Erosion control permits issued	*	*	*	2,211	2,328	2,425	1,745	86	65	45
	Erosion control re-inspection fees	8,750	*	11,600	3,575	11,050	12,079	6,864	2,375	**1,950	1,000
	Land disturbance permits issued	*	*	*	133	129	158	108	66	38	19
	NPDES fees collected	*	*	*	73,258	56,272	46,782	19,094	13,251	5,171	7,830
Engineering											
	Erosion control non-compliance issued	*	*	*	516	1,768	2,059	870	399	240	120
	Erosion control stop work order issued	*	*	*	75	512	407	130	87	72	31
	Erosion control complaints	*	*	*	*	161	169	165	251	316	22
	County maintained traffic signals	*	*	*	39	42	45	49	51	53	53
	School flashers maintained	*	*	*	15	15	15	15	16	16	16
Roads and Bridges											
	Standard-width roads resurfaced	*	*	32	29	25	9	15	*	75	10
	As-is roads resurfaced	*	*	6	5	6	4	14	*	0	1
	DOT LARP resurfaced	22	22	41	35	41	37	14	*	57	41
	Unpaved roads paved	*	*	*	*	5	3	3	*	4	2
	Roads widened w/asphalt	*	*	*	*	24	17	15	*	10	4
	Number of work orders recorded	*	*	*	*	1,630	1,244	1,221	*	1,525	1,401
	Number of work orders completed	*	*	*	*	1,384	987	1,093	*	1,296	1,225
	Percentage of work orders completed	*	*	*	*	0.85	0.79	0.89	*	0.85	0.87
Community Services											
	Home Rehabilitation Program:										
	Number of Applications	*	*	7	20	6	9	14	6	22	21
	Homes Rehabilitated	*	*	7	10	3	7	7	1	1	5

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

			2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
		Funds Expended	*	*	172,326	180,000	78,840	120,000	161,015	23,525	25,120	134,572
	5311	Number of Vehicles	*	*	*	11	11	12	12	12	12	12
		Average Contract Passengers	*	*	*	34,518	35,002	36,000	37,200	37,742	36,900	40,496
		Point of Service Revenue	*	*	*	*	161,565	177,721	489,076	316,800	152,630	311,186
		Average # Trips	*	*	*	*	70,000	72,100	74,400	52,000	58,600	59,262
	5307	Number of Vehicles	*	*	*	9	13	16	14	14	14	12
		Avg # Annual Passengers	*	*	*	*	155	185	182	51,000	305	151
	5307A	Number of Vehicles	*	*	*	*	*	4	4	2	2	3
		Average # of Trips	*	*	*	*	*	*	*	7,800	20,030	23,704
Voter Registration/Elections												
		Precinct locations	*	*	45	45	45	45	45	45	45	44
		Advance voting locations	*	*	0	1	2	4	1	5	1	5
		Voting units	*	*	556	607	607	607	607	607	607	607
		Express poll	*	*	0	0	96	96	96	104	104	104
		Elections conducted	*	*	2	6	2	4	1	5	2	2
		Total registered voters	*	*	92,447	103,028	102,604	115,464	112,000	119,024	129,056	133,298
		Campaign disclosures	*	*	87	143	71	151	73	203	78	105
		Poll worker training sessions	*	*	1	30	2	43	2	30	10	17
		Poll workers trained	*	*	18	721	20	738	10	1,120	9	932
		Voter awareness sessions	*	*	0	0	0	2	0	3	1	0
		Voter turnout (avg %)	*	*	15.79%	41.18%	18.00%	45.00%	6.45%	79.70%	6.82%	58.92%
Recycling Center												
		Recycling revenue	*	*	75,824	91,298	116,150	123,262	201,351	205,185	57,150	43,082
		Recycled materials in tons	*	*		1,889	1,956	1,400	2,087	*	122	936
Emergency 911												
		All calls	*	*	321,884	379,747	382,627	385,627	388,659	388,659	408,715	336,103
		Inbound calls	*	*	227,827	271,412	278,444	278,129	286,016	286,016	331,091	251,941
		Outbound calls	*	*	94,057	108,335	104,183	107,498	102,643	102,643	77,624	84,162
		Dispatched calls for police	*	*	162,301	176,682	194,734	215,548	211,710	211,710	213,911	213,972
		Dispatched calls for fire	*	*	14,683	16,826	19,518	21,461	18,989	18,989	19,397	19,407
		Average time to answer - E911 calls (in sec)	*	*	*	*	*	6	5	5	5	6
		Average time to answer - other calls (in sec)	*	*	*	*	*	6	5	5	5	5
		Call volume 0700hrs - 1900hrs	*	*	*	*	*	32%	34%	66%	65%	62%
		Call volume 1900hrs - 0700hrs	*	*	*	*	*	68%	66%	34%	35%	35%
Senior Services												
		Home Delivered Meals	*	*	*	*	*	36,121	31,082	31,615	50,241	45,609
		Alzheimer respite	*	*	*	*	*	628	570	536	775	1,814
		Congregate meals	*	*	*	*	*	9,750	11,052	11,194	10,295	10,637
		Homemaker	*	*	*	*	*	3,088	3,442	3,660	3,353	2,415
		Transportation - regular	*	*	*	*	*	8,784	8,138	9,406	9,727	9,291
		Transportation - voucher	*	*	*	*	*	382	1,287	3,557	3,341	2,377
		Caregiver program - group	*	*	*	*	*	12	22	14	20	21
		Volunteer services and training	*	*	*	*	*	10,500	10,025	10,650	12,000	12,000
		Case management	*	*	*	*	*	2,596	4,260	4,054	3,031	2,581
		Information and referral	*	*	*	*	*	8,087	8,708	8,322	2,516	2,880
		Volunteer aging council referrals	*	*	*	*	*	25	28	36	32	31
Animal Services												
		Received	*	*	6,275	6,064	5,703	5,886	6,541	6,248	6,414	5,691

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Adopted	*	*	1,802	1,690	1,419	1,337	1,546	1,257	1,246	1,159
	Returned to owner	*	*	580	486	557	594	563	514	479	441
	Sent to rescue	*	*	557	647	676	1,043	889	841	869	933
	Escaped	*	*	30	21	0	10	4	4	3	3
	Euthanized	*	*	3,213	3,120	2,959	2,644	2,998	3,601	3,701	2,834
	Died in Shelter/DOA	*	*	30	26	31	122	107	125	41	201
	Stolen	*	*	4	2	0	0	0	0	0	0
	Emergency Clinic	*	*	59	72	40	0	0	0	0	0
	Foster	*	*	*	*	*	3	11	2	0	1
	Owner Authorized Euthanized	*	*	*	*	21	3	13	3	0	80
DUI Court											
	Persons Screened	*	*	*	*	323	997	835	761	737	664
	Persons Eligible from Initial Screening	*	*	*	*	78	208	160	127	124	106
	Persons Entered Into Treatment Court	*	*	*	*	26	96	82	86	60	67
	Persons Graduated From Treatment Court	*	*	*	*	*	57	60	70	47	46
Fire											
	Emergency Responses	8,246	7,894	11,511	15,227	15,800	16,310	17,141	16,537	16,281	17,604
	Fires Extinguished	649	504	458	570	584	740	744	560	466	541
	Rescue	142	109	82	36	33	20	11	26	43	29
	Hazardous Condition	647	646	668	876	821	899	1,138	1,092	934	778
	Service Call	701	589	678	653	587	667	668	600	627	761
	Good Intent/False Call	2,059	1,902	1,791	1,987	2,144	2,330	2,401	2,372	2,265	2,455
	Other	129	146	182	262	318	298	423	390	340	423
	Fire Investigations	*	*	99	117	120	121	91	112	97	107
	Inspections	*	*	*	*	*	1,389	1,492	1,371	1,322	1,593
	Plans Reviews	*	*	*	*	*	900	1,057	754	763	580
	Fire Prevention/No. 5th grade students	*	1,660	1,681	1,694	1,783	2,126	2,780	2,803	1,280	2,215
	Fire Prevention/No. Kindergarden students	*	2,048	2,081	2,162	2,434	2,838	3,054	2,908	2,853	1,698
Emergency Medical Services											
	EMS Dispatches	3,856	3,902	7,554	10,782	11,243	11,252	11,756	11,497	11,606	11,010
Fleet Maintenance											
	Repair orders processed	*	*	4,552	5,556	5,844	5,796	4,896	5,575	4,718	4,726
	Preventative maintenance services (all)	*	*	1,150	1,550	1,612	2,028	2,773	2,546	*	*
	Cars/light duty trucks maintained	*	*	*	*	1,212	1,560	1,377	2,201	2,159	2,172
	Medium duty vans/squads maintained	*	*	*	*	200	260	445	507	1,233	1,229
	Heavy duty truck/equipment maintained	*	*	*	*	200	208	301	321	1,326	1,325

* Information not readily available
**2009 indicates this now is collected/reported by DSC and the amount is for the E&S permit as there are no re-inspection fees.
*** No longer measured

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

CAPITAL ASSETS BY FUNCTION
LAST EIGHT FISCAL YEARS

Function/Program		2003	2004	2005	2006	2007	2008	2009	2010
Governmental									
	Buildings/Land	7	7	7	11	18	19	23	22
	Vehicles	21	21	21	21	27	29	30	32
Judicial									
	Buildings/Land	1	1	1	1	1	1	1	1
	Vehicles	15	17	18	17	18	20	19	21
Sheriff/Law Inforcement									
	Buildings/Land	7	9	9	9	10	10	11	11
	Vehicles	220	221	227	227	261	258	274	281
Fire/EMA									
	Fire Stations/Land	18	19	19	19	19	19	20	21
	Vehicles	55	56	58	56	58	60	58	78
	Pumpers/Tankers	35	36	37	36	37	38	40	40
Animal Shelter/Animal Control									
	Building/Land	2	2	2	2	2	2	2	2
	Vehicles	8	8	9	10	8	8	8	8
Public Works									
	Buildings/Land	8	9	9	9	9	9	9	9
	Street Miles	1,077	1,123	1,172	1,190	1,193	1,226	1,257	1,275
	Traffic Signals	34	37	43	48	47	51	52	52
	Bridges/Culverts	68	68	68	69	69	69	70	70
	Vehicles	54	56	60	65	71	70	64	65
	Machinery & Equipment	54	58	60	61	65	63	60	59
Health Welfare									
	Buildings/Land	3	3	3	3	3	3	3	3
	Vehicles	0	1	1	1	19	18	18	4
Culture/Recreation									
	Buildings/Land	10	13	13	13	13	23	33	61
Code Enforcement									
	Buildings/Land	3	4	4	4	5	5	3	3
	Vehicles	18	18	18	20	21	21	19	18
Environmental Health									
	Vehicles	0	0	2	4	2	2	2	2
		1,718	**1,787**	**1,861**	**1,896**	**1,976**	**2,024**	**2,076**	**2,138**

Information is not available prior to 2003

Source: Cherokee County Finance Department

CHEROKEE COUNTY, GEORGIA

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS IN ACCORDANCE WITH THE SINGLE AUDIT ACT AND *GOVERNMENT AUDITING STANDARDS*

FOR THE YEAR ENDED DECEMBER 31, 2010

CHEROKEE COUNTY, GEORGIA

FOR THE YEAR ENDED DECEMBER 31, 2010

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MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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

Board of Commissioners
Of Cherokee County, Georgia
Canton, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Cherokee County, Georgia** (the "County") as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 30, 2011. Our report includes a reference to 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. Other auditors audited the financial statements of the Cherokee County Department of Public Health and the Sequoyah Regional Library, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Cherokee County, Georgia's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatement on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2010-1 through 2010-3, and 2010-5 through 2010-9, to be material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency, 2010-4, described in the accompanying schedule of findings and questioned costs to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items 2010-8 and 2010-9.

We noted certain matters that we reported to management of the County in a separate letter dated June 30, 2011.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Commissioners, management of the County, federal awarding agencies and pass-through entities, and the State of Georgia and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 30, 2011

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Commissioners
Of Cherokee County, Georgia
Canton, Georgia

Compliance

We have audited Cherokee County, Georgia's (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2010. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The basic financial statement of Cherokee County, Georgia include the Cherokee County Department of Public Health, which received $6,774,242 in federal awards for the fiscal year ended June 30, 2010, which are not included in the schedule of expenditures of federal awards of the County for the fiscal year ended December 31, 2010. Our audit, described below, did not include the operation of the Cherokee County Department of Public Health because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Cherokee County, Georgia complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Cherokee County, Georgia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Cherokee County, Georgia's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned cots as item 2010-10. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cherokee County, Georgia, as of and for the year ended December 31, 2010, and have issued our report thereon dated June 30, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Cherokee County, Georgia's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the members of the Board of Commissioners, management of the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 30, 2011

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grant	14.218	B-09-UC-13-0006	$ 446,815
Total U.S. Department of Housing and Urban Development			446,815
U.S. DEPARTMENT OF JUSTICE			
Passed through Children and Youth Coordinating Council			
Violence Against Women Grant - ARRA	16.588	W09-8-048	53,412
Violence Against Women Grant - ARRA	16.588	W08-8-066	75,092
Violence Against Women Grant - ARRA	16.588	2009-EF-S6-0033	59,323
			187,827
Passed through Council of Juvenile Court Judges of Georgia			
Juvenile Accountability Block Grants	16.523	JB-07ST-004	3,200
Juvenile Accountability Block Grants	16.523	JB-08ST-0002	975
			4,175
Edward Byrne Memorial Justice Assistance Grant	16.738	2010-DJ-BX-0232	12,168
Passed through Criminal Justice Coordinating Council			
Edward Byrne Memorial Justice Assistance Grant (Solicitor) - ARRA	16.803	2008-SU-B9-0003	29,954
Edward Byrne Memorial Justice Assistance Grant (DA) - ARRA	16.803	2009-SU-B9-0003	27,617
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-045	10,458
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-047	34,845
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-051	28,819
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-054	25,130
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-055	11,550
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-057	76,360
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.803	B82-8-058	19,371
			264,104
Total U.S. Department of Justice Cluster			276,272
Passed through Criminal Justice Coordinating Council			
Victims of Crime Act Grant	16.575	C07-8-186	67,599
Victims of Crime Act Grant	16.575	C10-8-033	20,540
			88,139
Project Safe Neighborhood	16.609	Q07-8-008	21,861
Bulletproof Vest Partnership Program	16.607	N/A	2,462
Bulletproof Vest Partnership Program	16.607	N/A	10,199
			12,661
Total U.S. Department of Justice			590,935

(continued)

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through Georgia Emergency Management Agency			
Emergency Performance Management Grant	97.042	N/A	$ 1,985
Emergency Performance Management Grant	97.042	P09-9-028	43,321
Emergency Performance Management Grant	97.042	2010-EP-00-0013	16,565
			61,871
Passed through Georgia Bureau of Investigation			
Georgia Terrorism Intelligence Project	97.074	N/A	708
Passed through Georgia Emergency Management Agency			
Citizens Corp	97.053	2008-GE-T6-0017	8,766
Passed through Georgia Emergency Management Agency			
Hazard Mitigation Grant	97.039	2009-SS-T9-0047	14,489
Hazard Mitigation Grant	97.039	HMGP-1761-0006	16,694
Hazard Mitigation Grant	97.039	2006-GE-T6-006	250,993
			282,176
Total U.S. Department of Homeland Security			353,521
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Atlanta Regional Commission			
Aging Services	93.044	AG0401.1	376,379
Aging Services - ARRA	93.044	AG0401.1	25,120
			401,499
Passed through Georgia Department of Human Resources			
Family Connection - FOCUS	93.605	427-93-10100373-99	37,409
Total U.S. Department of Health and Human Services			438,908
U.S. DEPARTMENT OF ENERGY			
Energy Efficiency & Conservation Grant - ARRA	81.128	SC0002432	496,712
Total U.S. Department of Energy			496,712

(continued)

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through Governor's Office of Highway Safety			
Highway Enforcement of Aggressive Traffic	20.600	GA-2010-000-00340	$ 52,204
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	GA-2010-000-00341	21,499
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	GA-2011-000-00406	6,077
			27,576
Total U.S. Department of Transportation Cluster			79,780
Passed through Georgia Department of Human Resources			
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	42700-362-0000006338	186,017
Passed through Georgia Department of Transportation			
Federal Transit - Formula Grant - ARRA	20.509	T003387	100,303
Federal Transit - Formula Grant - ARRA	20.509	T003316	108,275
			208,578
Formula Grants for Other Than Urbanized Areas	20.507	GA96-X003	332,301
Formula Grants for Other Than Urbanized Areas	20.507	GA90-X225	6,897
Formula Grants for Other Than Urbanized Areas	20.507	GA90-X266	84,998
			424,196
Total U.S. Department of Transportation			898,571
U.S. DEPARTMENT OF LABOR			
Passed through Association of County Commissioners of Georgia			
Registered Apprenticeship and Other Training	17.201	N/A	2,052
Total U.S. Department of Labor			2,052
Total Expenditures of Federal Awards			$ 3,227,514

CHEROKEE COUNTY, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Cherokee County, Georgia and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

During 2010, disbursements were made to sub-recipients of the following grant programs:

Program	CFDA Number	Sub-recipient		Amount
Community Development Block Grant (CDBG)	14.218	Cherokee Day Training Center	$	97,936
Community Development Block Grant (CDBG)	14.218	Boys and Girls Club		5,464
Community Development Block Grant (CDBG)	14.218	Anna Crawford Children's Center		101,781
Community Development Block Grant (CDBG)	14.218	MUST		8,280
Community Development Block Grant (CDBG)	14.218	CASA		10,000
Community Development Block Grant (CDBG)	14.218	Goshen Valley Boys Ranch		15,000
Community Development Block Grant (CDBG)	14.218	Cherokee Family Violence Center		20,000
Total CDBG			$	258,461

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	__X__ yes ____ no
Significant deficiencies identified not considered to be material weaknesses?	__X__ yes ____ none reported
Noncompliance material to financial statements noted?	__X__ yes ____ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	_____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	__X__ yes ____ none reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	_____ yes __X__ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
14.218	Community Development Block Grant
20.507	Formula Grants for Other than Urbanized Areas
81.128	Energy Efficiency & Conservation Grant – ARRA
93.044	Aging Services Grant

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	____ yes __X__ no

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-1 Restatement of Prior Year Balances

Criteria: Internal controls should be in place to ensure that financial statements are properly presenting the financial position and results of the County.

Condition: Internal controls were not sufficient to detect a material misstatement in the County's financial statements for the year ended December 31, 2009.

Context/Cause: During our audit for the year ended December 31, 2010, an adjustment was required to correct the beginning balance of capital assets to agree with the subsidiary ledger.

Effects: An audit adjustment of approximately $11,593,000 was needed to correctly report the opening balances of capital assets for the year ending December 31, 2010.

Recommendation: We recommend the County carefully review the financial statements and applicable reporting requirements under generally accepted accounting principles to ensure that all information and financial data is properly stated.

Auditee's Response: We concur with the finding. We will take necessary steps in the future to ensure that the financial statements are properly stated.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-2 Allocation of Internal Charges

Criteria: GAAP identifies internal service funds as being expressly designed to function as cost reimbursement devises. This implies the costs incurred in the operation of the internal service funds are being timely and appropriately charged out to the various funds.

Condition: Internal controls were not sufficient to detect misstatements in the reporting of the County's internal service funds and the allocation of those charges to the participating funds.

Context/Cause: During our testing, certain audit adjustments were required to properly charge out the costs of the Insurance & Benefits Fund. The nature of these adjustments are as follows:

- In the Insurance & Benefits Fund, an adjustment of approximately $937,000 was required to properly report charges to the participating funds for expenses incurred by the Insurance & Benefits Fund. These charges were allocated to the participating funds as follows:

General Fund	$487,000	Animal Services Fund	$12,000
E911 Fund	$44,000	Family Court Fund	$1,000
Senior Services Fund	$9,000	DUI Court Fund	$1,000
Parks & Recreation Fund	$22,000	Fire Fund	$203,000
Insurance Premium Fund	$66,000	Recreation Bond Fund	$1,000
Transportation Fund	$7,000	SPLOST V Fund	$21,000
Multiple Grant Fund	$7,000	EMS Fund	$44,000
CDBG Fund	$2,000	Fleet Services Fund	$10,000

Effects: Audit adjustments totaling approximately $1,874,000 were needed to correctly show the revenues of the internal service fund and the expenditures/expenses of the participating funds.

Recommendation: We recommend the County carefully review all activity of the internal service funds as those funds should be operating on a cost-reimbursement basis and should not carry long-term shortages or overages. The County should monitor the activity and ensure the proper charges are being allocated to the participating funds.

Auditee's Response: We concur with the finding. We have assigned the responsibility of reviewing the Insurance & Benefits Fund to the Accountant II position. The Accountant II will allocate charges exceeding the budget to participating funds each quarter.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-3 Receivables and Revenues

Criteria: Internal controls should be in place to ensure that the amounts reported as receivables and revenues are appropriate and properly valued.

Condition: Internal controls were not sufficient to detect misstatements in the reporting of the County's revenues and receivables.

Context/Cause: During our testing, certain audit adjustments were required to correct current year amounts. The nature of these adjustments is as follows:

- In the General Fund, an adjustment of approximately $552,000 was required to properly report the business license revenue, deferred revenues and receivables.
- In the General Fund, an adjustment of approximately $4,171,000 was required to properly report taxes receivable, revenues and deferred revenues.
- In the General Fund, an adjustment of approximately $204,000 was required to defer revenues which were not available for recognition within the County's sixty day recognition period.
- In the Multiple Grant Fund, an adjustment of approximately $69,000 was required to defer revenues which were not available for recognition within the County's sixty day recognition period.
- In the Fire District Fund, an adjustment of approximately $2,121,000 was required to properly report tax receivables, revenues and deferred revenues.
- In the Debt Service Fund, an adjustment of approximately $1,204,000 was required to properly report taxes receivables, revenues and deferred revenues.
- In the EMS Fund, adjustments of approximately $1,850,000 were required to adjust the receivables, related allowances and revenues for services provided during the year.

Effects: Audit adjustments totaling approximately $10,171,000 were needed to correctly report revenues, receivables, and deferred revenues.

Recommendation: We recommend the County carefully review all revenues and receivables to ensure they are reported in the proper reporting period, properly valued, and in accordance with generally accepted accounting principles.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-3 Receivables and Revenues (Continued)

Auditee's Response: We concur with the finding. We have created more receivable accounts to specifically track each type of receivable. We developed a new process to account for property taxes at the point tax bills are mailed. The Accountant I, who is responsible for processing cash receipts, has been given guidance on the new object codes to record against receivable and revenue accounts. The Director of Planning & Analysis ("P&A") has been assigned revenue review responsibility. Each month the Director of P&A reviews revenue receipts, compares against the forecast, and follows-up on variances. We believe this variance analysis will detect errors and trigger corrections. The Director of P&A will work closely with the Accounting Manager, especially at year-end, to ensure financials are properly stated.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-4 Maintenance of the General Ledger (Proprietary Fund)

Criteria: Internal controls should be in place to ensure that the general ledgers of the County are properly maintained using full accrual or modified-accrual accounting methods, based on GAAP for a governmental entity.

Condition: Internal controls were not sufficient to detect material misstatements in the reporting of the County's EMS and Fleet Services funds.

Context/Cause: During our testing of compensated absences, certain audit adjustments were required to correct current year amounts in the Emergency Medical Services ("EMS") Fund and the Fleet Services Fund. The nature of these adjustments is as follows:

- The County was treating the EMS fund, a proprietary fund, as a governmental fund, not adjusting the accrued compensated absences liability. Adjustments totaling approximately $50,000 were required to properly report the compensated absences liability balances of the fund.
- The County was treating the Fleet Services fund, a proprietary fund, as a governmental fund, not adjusting the compensated absences liability. Adjustments totaling approximately $8,000 were required to properly report the compensated absences liability balances of the fund.

Effects: Audit adjustments totaling approximately $58,000 were needed to correctly report the compensated absences liabilities.

Recommendation: We recommend the County carefully review all transactions of the proprietary funds and ensure that they are properly handling the transactions in accordance with governmental accounting standards.

Auditee's Response: We concur with the finding. The Accounting Manager will use calculations from the Expenditures/Payroll Supervisor to record the compensated absences for these two funds.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-5 Opening Equity (Development Authority of Cherokee County)

Criteria: Internal controls should be in place to ensure that financial statements are properly presenting the financial position and results of operations of the Development Authority.

Condition: Internal controls were not sufficient to detect misstatements in the reporting of the opening equity of the Development Authority.

Context/Cause: During our testing, an audit adjustment was required to adjust the opening equity of the Development Authority. The entry included adjusting balances incorrectly coded to equity during the current year, as well as to record audit entries from the prior year which were never posted to the Authority's books.

Effects: An audit adjustment totaling approximately $5,718,000 was needed to correctly report opening equity balances.

Recommendation: We recommend the Development Authority carefully review all opening equity balances to ensure that the general ledger agrees with the audited reports from the prior year.

Auditee's Response: We concur with the finding. We will take the necessary steps in the future to ensure that all equity balances are reconciled.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-6 Maintenance of the General Ledger (Development Authority of Cherokee County)

Criteria: Internal controls should be in place to ensure that the general ledgers of the Authority are properly maintained using modified-accrual accounting methods, based on GAAP for a governmental entity.

Condition: Internal controls were not sufficient to allow the Development Authority to properly report the activity of the Authority on a modified-accrual basis of accounting.

Context/Cause: During our testing at the Authority, several adjustments were required to properly report activity of the Authority on a modified accrual basis of accounting.

Effects: Audit adjustments totaling approximately $3,943,000 were needed to correctly report the current year activity of the Authority.

Recommendation: We recommend the Authority carefully review all transactions made during the year to ensure the appropriate adjustments are made to report activity in accordance with GAAP.

Auditee's Response: We concur with the finding. We will take necessary steps in the future to ensure the general ledgers are maintained in accordance with GAAP.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-7 Segregation of Duties

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: The County and the Development Authority do not have adequate controls to properly segregate all responsibilities and does not have adequate compensating controls to prevent or detect errors.

Context: During our review of internal controls, we noted the following areas in which the County and the Development Authority lacked a proper segregation of duties:

- During documentation of the controls related to the Sheriff's office we noted one person is responsible for receipting funds, can initiate check runs, is authorized to sign checks and reconciles the cash account.
- During documentation of the controls related to the Tax Commissioner's office we noted one person is responsible for receipting funds, can initiate check runs, is authorized to sign checks and reconciles the cash account.
- Manual journal entries do not require documented approval by a responsible person, independent of the person preparing and posting the entry.
- At the Development Authority of Cherokee County, the same person is responsible for preparing and issuing the monthly disbursements, as well as reconciling the monthly bank statements.

Effects or Possible Effects: Failure to properly segregate duties may allow for errors or irregularities to occur and not be detected in a timely manner by employees in the normal course of performing their assigned functions.

Cause: The size of the accounting and administrative staff of both the County and the Development Authority preclude certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties.

Recommendation: We recommend the County and the Development Authority properly segregate duties relative to the above processes or implement adequate compensating controls.

Auditee's Response: We concur with the finding. We had established a policy requiring the Accounting Manager and Director of Planning & Analysis to approve all journal entries. This policy will be amended to require these two positions to also approve each others' entries. We will discuss the importance of segregating duties with the Sheriff Office and Tax Commissioner to ensure they make necessary changes in check writing authorities.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-8 Governmental Fund Budgets

Criteria: State of Georgia law (OCGA 36-81-3) states that:

> a) each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article; and
>
> b) a budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

Condition: State law requires local governments to adopt annual appropriated budgets for all governmental funds and a project length budget for capital project funds. Management did not adopt an annual balanced budget for the Multiple Grant Fund, Transportation Fund, Parks & Recreation Fund and CDBG Fund, which are reported as special revenue funds, for the fiscal year ended December 31, 2010.

Context/Cause: During our inquiry of management about the governmental funds, it was determined that the County failed to adopt balanced budgets for the above mentioned funds and therefore was not in compliance with State law.

Effect or Possible Effects: Lack of an annual balanced budget has resulted in a compliance violation with State law.

Recommendations: We recommend the County timely adopt annual balanced budgets for the General fund, special revenue funds and debt service funds and adopt project length budgets for all capital project funds

Response: We concur. Balanced budgets were originally created and adopted for each fund at the beginning of the year. At that point we had planned to utilize remaining positive fund balance to fund budgeted expenditures. Unfortunately, after year-end audit adjustments these funds did not have positive fund balance as planned, resulting in expenditures exceeding revenues and fund balance. To avoid this in the future, we will revisit the adopted budget after the prior year end is completely closed – and complete budget amendments if necessary to ensure all funds have balanced budgets.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-9 Collateralization of Deposits

Criteria: Policies should be in place to ensure all financial institutions holding cash deposits of County funds properly insure and/or collateralize those deposits in accordance with state law, at all times of the fiscal year.

Condition: As of December 31, 2010, the County had $332,908 in deposits that were not properly collateralized at 110% in accordance with the Official Code of Georgia Annotated (OCGA) Section 45-8-12(c).

Context/Cause: The deposits with a financial institution exceeded the limit for federal depository insurance coverage and were not sufficiently collateralized in accordance with State of Georgia law. This was caused by several of the County's accounts not being properly coded as public funds, and thus the financial institutions were not properly pledging collateral for funds in excess of insured coverage.

Effects: The failure of a financial institution to fully insure or collateralize the deposits could result in a financial loss to the County, should the financial institution fail.

Recommendation: The County should ensure that all deposits with its financial institutions are properly coded as public funds. The County should also monitor its deposits on an on-going basis to ensure that all deposits over the federal depository insurance coverage limit are properly collateralized in accordance with State statutes.

Auditee's Response: We concur. The Director of P&A will review OCGA Section 45-8-12(c), and compare requirements to our current bank agreements. If variances are identified, she will work with our Account Representative to ensure necessary changes are made.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2010-10 Community Development Block Grant – Reporting
U.S. Department of Housing and Urban Development, CFDA# 14.218

Criteria: Grant requirements for the program require the County to complete the PR03, PR26 and SF-425 forms for submission, summarizing the draws and activity of the County in relation to the various program years.

Condition: As of December 31, 2010, the County was not properly completing the PR03 and PR26 forms, and was not aware of the requirement to submit the SF-425.

Context/Cause: The PR03 and PR26 were being completed on a cash basis of reporting; however, per review of the instructions and discussions with HUD, the reports are to be completed using the accrual method of accounting, so as to allow the reports to agree with the County's general ledger. County management was not aware of the requirement to complete the SF-425 and therefore was not submitting those quarterly reports.

Effects: Because the County was not properly completing the annual PR03 and PR26, the reports were understated by approximately $82,000 and $89,000, respectively. The SF-425 was not completed and submitted.

Recommendation: The County should initiate a process to have all applicable reports submitted timely to the State. In instances where the County is unclear of their responsibilities, they should contact the grantor to determine the necessary procedures.

Auditee's Response: We concur. The County will initiate a process to ensure that all future reports are properly and timely submitted to the State.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION IV
STATUS OF PRIOR AUDIT FINDINGS

2009-10 Federal Transit Grant 5307 – Reporting
U.S. Department of Transportation, Federal Transit Formula Grants, CFDA# 20.507

Condition: During the year ended December 31, 2009, the County did not contract with a third party to perform construction services in which grant funds were utilized, and therefore did not use a DBE. The County therefore did not submit the semi-annual reports to the State. Although the County did not use a DBE for grant projects during the year, the County is still responsible for the submission of the required reports to the State.

Response: We concur. The County has established controls to ensure that all future reports are properly and timely submitted to the State. No problems were identified during single audit testing for 2010.

2009-11 Aging Services Grant – ARRA Reporting
U.S. Department of Human Resources, Aging Services Grant, CFDA# 93.044

Condition: During the year ended December 31, 2009, the County did not submit the required reports for the first three months in which ARRA funding was received. The County does not have sufficient controls to ensure that the reports are being properly or timely prepared and submitted.

Response: We concur. The County has established controls to ensure that all future reports are properly and timely submitted to the State. No problems were identified during single audit testing for 2010.

SECTION IV
STATUS OF PRIOR AUDIT FINDINGS (CONTINUED)

2009-12 Federal Transit Grant 5307 – Matching and Cash Management
U.S. Department of Transportation, Federal Transit Formula Grants, CFDA# 20.507

Condition: During the year ended December 31, 2009, the County was not properly submitting reimbursement requests based on expenditures for each period, but rather was seeking reimbursement for overlapping expenditures, thus advance funding the project. The individual that prepares the drawdown request also submits the drawdown request to the grantor. The drawdown request is not reviewed by an individual independent of the drawdown preparation process before submission to the grantor. With the lack of an independent review of the drawdowns, the County's drawdowns for the project exceeded incurred expenditures, thus advancing funds were received by the County during 2009. As of December 31, 2009, the County's reimbursements for the DAPEC building project have exceeded eighty percent (80%) of the total project costs. However, the County has the ability to use other line items within the grant budget to ensure the overall grant funding does not exceed the agreement or allocation amounts.

Response: We concur. The County has established controls which require all drawdown requests reviewed by an individual independent of the drawdown requests preparation process. During testing in the 2010 single audit there were no deficiencies identified.

2009-13 Federal Transit Grant 5311 – Matching
U.S. Department of Transportation, Federal Transit Formula Grants, CFDA# 20.509

Condition: As of December 31, 2009, the County was not properly monitoring the match status and ensuring that the rates being charged to the users were adequate to allow the County to meet the necessary minimum local funds match requirements. The County was in compliance with the matching requirements; however because a significant portion of the County transit system operations are funded with federal support, the County should be aware of and monitor compliance with all requirements and take the necessary steps to ensure their compliance.

Response: We concur. The County has yet to implemented controls which will adequately track and monitor the compliance with matching requirements for the 5311 program. We strongly recommend management develop a spreadsheet or other means to monitor and ensure compliance with all requirements.

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT ACCOUNTANT'S REPORT

Board of Commissioners and County Manager
Cherokee County, Georgia

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Cherokee County, Georgia's compliance during the fiscal year ended December 31, 2010 with the requirement that information presented in the Annual Report of 9-1-1 Collections and Expenditures is accurate and correct and that 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Cherokee County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Cherokee County, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Cherokee County, Georgia's compliance with the above mentioned requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Cherokee County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Cherokee County, Georgia complied with the aforementioned requirement during the fiscal year ended December 31, 2010 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 30, 2011

Cherokee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2010

Line No.		O.C.G.A. Reference:		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	__X___ Special Revenue Fund _____ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ 1.5	
3	Total revenue from exchange access facility subscribers:			$ 1,326,464
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	____X_ Yes ____ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	_____ System provides location of base station or cell site	46-5-134(a)(2)(A)		
	__X___ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$ 1.5	
7	Total revenue from wireless telecommunications connection subscribers.			$ 2,797,188
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			$ 4,123,652
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	Miscellaneous Reimbursements			$ 581
				$
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
				$
				$
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		
				$
				$
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)		
				$
				$
10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)			$ 3,111
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the			

Cherokee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2010

Line No.		O.C.G.A. Reference:	
	local government should be reported on Line 25 and not included here.		
			$
			$
			$
			$
			$
			$
			$
			$
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ 4,127,344
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	UMB BANK (sprint & Nextel)		$ 34,441
	MERTO PCS		$ 38,960
	AT&T WIRELESS		$ 272,454
	SOUTHERN LINC		120
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	$
14b	Purchase costs	46-5-134(f)(1)	$
14c	Maintenance costs	46-5-134(f)(1)	$ 159,762
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	$ 279,572
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time 49 Part time 9		
16a	Salaries and wages	46-5-134(f)(3)	$ 2,378,541
16b	Employee benefits	46-5-134(f)(3)	$ 765,495
17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	$ 18,034

Cherokee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2010

Line No.		O.C.G.A. Reference:	
18	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	$ 50,102
19a	Building used as a public safety answering point:	150 Chattin Dr	
19a1	Lease costs	46-5-134(f)(5)	$
19a2	Purchase costs	46-5-134(f)(5)	$
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	$
	__X__ Yes ____ No		
20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	$
20b	Purchase costs	46-5-134(f)(6)	$ 37,300
20c	Maintenance costs	46-5-134(f)(6)	$ 72,018
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	$ 14,922
22	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	$
22b	Purchase costs	46-5-134(f)(8)	$
22c	Maintenance costs	46-5-134(f)(8)	$ 10,800
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	Rental of equipment		$ 6,047
	Postage		$ 632
	Advertising		$ 612
	Printing & Binding		$ 920
	Dues & Fees		$ 11,033
	Water & Sewerage		$ 3,867
	Natural Gas		$ 742
	Electriciy		$ 12,854
	Food		$ 1,549
	Repairs and maintenance		$ 15,535
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 4,186,312
25	Transfers From Other Funds (identify by fund)		
			$
			$
26	Transfers To Other Funds (identify by fund)		

Cherokee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2010

Line No.		O.C.G.A. Reference:	
	_____		$ _____
	_____		$ _____
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)		
	_____		$ _____
	_____		$ _____
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)		$ (58,968)
29	Fund Balance - Beginning of Year		$ 1,735,906
30	Fund Balance - End of Year		$ 1,676,938

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

__X__ Yes _____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official _____ Date June 29, 2011

Print Name of Chief Elected Official L.B. AHRENS

Title of Chief Elected Official COMMISSION CHAIRMAN

Signature of Chief Financial Officer _____ Date June 29, 2011

Print Name of Chief Financial Officer JANELLE FUNK