CHEROKEE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2011

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, 2011

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I. INTRODUCTORY SECTION

Cherokee County Board of Commissioners
1130 Bluffs Parkway | Canton, GA 30114

June 30, 2012

Honorable L.B. Ahrens, Jr., Commission Chairman

Cherokee County Board of Commissioners

And the Citizens of Cherokee County

Ladies and Gentleman:

State law and local ordinances require that every general purpose local government publish a complete set of audited financial statements each fiscal year. This report, the 2011 Comprehensive Annual Financial Report (CAFR), is published to fulfill that requirement for the year ended December 31, 2011.

Management assumes full responsibility for the completeness and reliability of the information contained in the report, based on a comprehensive framework of internal controls established for this purpose.

Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

The report has been prepared in accordance with generally accepted accounting principles, and to the best of our knowledge, the enclosed data is accurate in all material respects and reported in a manner designed to fairly present the financial position and results of operations of Cherokee County.

The County receives financial assistance through various federal grant programs, and is therefore required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and US 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, questioned costs, and auditor's reports on the internal control over financial reporting and compliance, are included in a separate report.

Cherokee County's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed public accountants. Mauldin & Jenkins, LLC, have issued an unqualified ("clean") opinion on Cherokee County's financial statements for the year ended December 31, 2011. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Introduction

Our History

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.



Canton Mill #2
Canton, GA

Canton Cotton Mill #2 was built in 1923, and is located northeast of the city of Canton. The mill was designed and built by C.E. Blank, an architect and builder for Dressler Industries, headquartered in New England.

Canton Cotton Mills, later Canton Textile Mills, was one of the largest manufacturers in the south. "Canton Denim" was known for its high quality and was sought by people throughout the country.

The old cotton mills have recently been transformed into a new apartment community along the Etowah River.

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.

Georgia Marble Finishing Works was the largest marble company in the area. This white Georgia marble facade, was created in 1927 for the new, now historic, courthouse.

Georgia Marble Company purchased Georgia Marble Finishing works in 1941. Their stone can be found in monuments and public buildings around the world, including New York's Stock Exchange annex, the Lincoln Memorial, and the 24 columns of the U.S. Capitol in Washington, D.C.


historic Cherokee County Courthouse

Cherokee County Present Day

Cherokee County is perfectly located 30 miles north of Atlanta where "Metro Meets the Mountains." The county is now 434 square miles in area, and with a population of about 215,000, it is the 7th largest of Georgia's 159 counties. When people think of Cherokee County, Georgia, they often think of its rugged beauty and eclectic community. For example, the county boasts over 2,000 acres of parks and greenspace. And under the $90 Million Parks, Recreation, and Greenspace Bond which was successfully created by the citizens of Cherokee County on the November 4, 2008 election ballot, funds will continue to be used to improve existing parks and develop brand new parks for active recreation and passive enjoyment.

But in addition to the county's natural beauty and recreation, Cherokee County is one of Georgia's most exciting markets. Cherokee County offers a well-educated and well-equipped workforce, exceptional transportation, and a host of financial incentive programs necessary for sustainable, long-term growth. For professionals and their families, Cherokee County offers a diverse range of housing, impressive healthcare, excellent education, low property taxes, and culture necessary for comfortable living and continuous personal growth. There are 5 main municipalities in Cherokee County: Canton, Woodstock, Ball Ground, Holly Springs, and Waleska.



Cannon Park, Canton



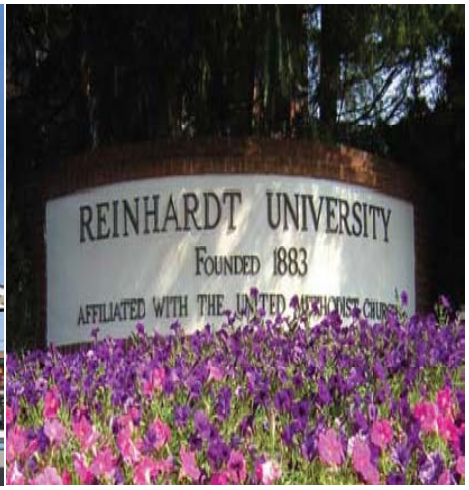
Downtown Woodstock



Gibbs Gardens, Ball Ground



Holly Springs Train Depot & Community Center



Reinhardt University, Waleska

Cherokee County Board of Commissioners
1130 Bluffs Parkway | Canton, GA 30114

Profile of Government

Cherokee County is governed by the Commission Chairman and a four member Board of Commissioners.



Commissioners Harry Johnston, Karen Bosch, Jason Nelms (back), Chairman L.B. Ahrens, Commissioner Jim Hubbard, County Manager Jerry Cooper

The Commission serves as the legislative and policymaking body of the county government. They enact county ordinances and appropriate funds to conduct county business and provide policy direction to the administrative staff.

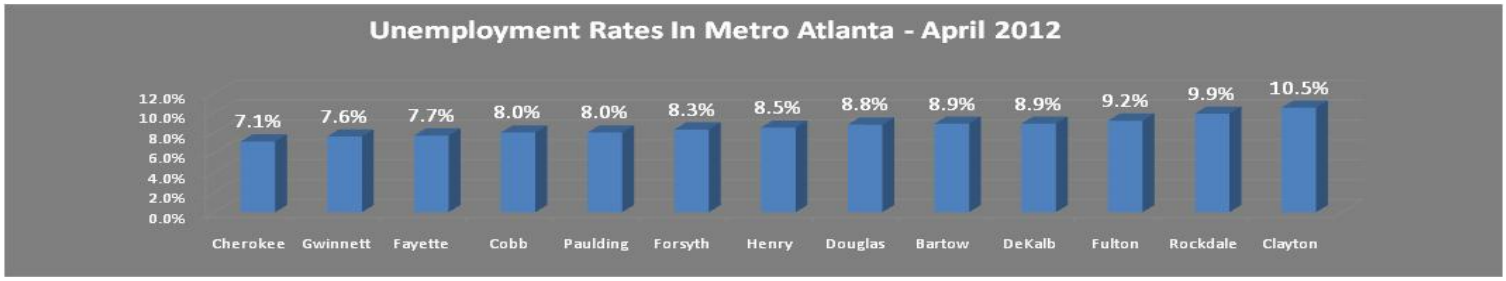
The County Manager works closely with the County Commission to assist them in developing policies and programs. Overseeing all county employees, the manager is responsible for the efficient ongoing operation of all county services. Cherokee County provides services to approximately 215,000 citizens and 6,000 businesses. Included in these services are traditional county functions such as public safety (sheriff, fire protection, and emergency services), code enforcement, judicial/court services, planning and zoning, business licenses and building permits, road maintenance, parks and recreation, senior services, animal shelter services, and bus transportation.

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. 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.

Local Economy

UNEMPLOYMENT

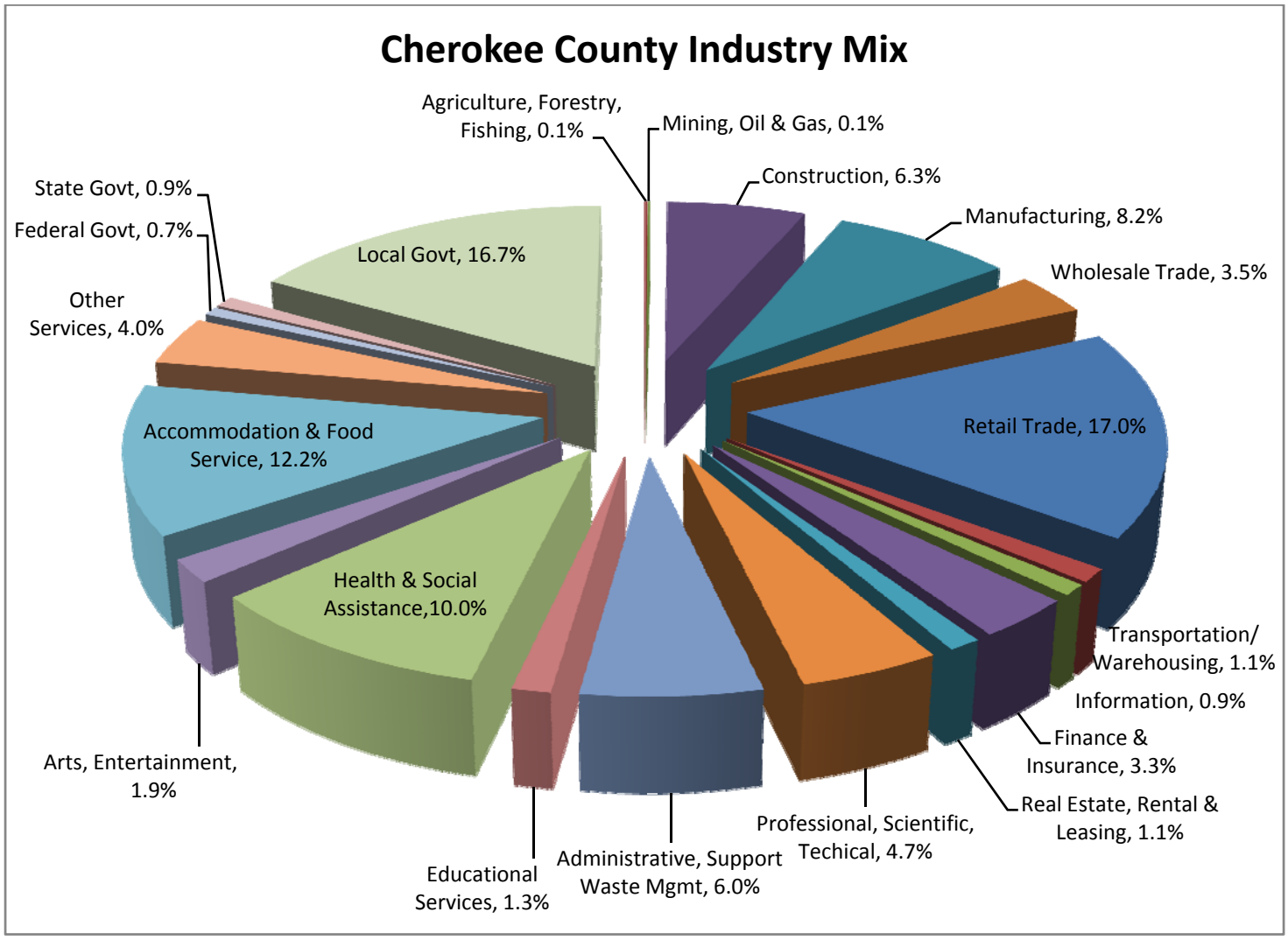
As of the date of this letter, Cherokee County's jobless rate is 7.1%, the lowest in the metro-Atlanta region. The average



for the metro-Atlanta area was 8.5%, and for the first time in three years, the statewide unemployment rate has dropped below 9 percent, as it declined for the ninth consecutive month in April to 8.9%.

INDUSTRY MIX

Cherokee County's Industry mix is: 67% Services, 15% Goods, and 18% Government.



The most significant change Cherokee County has experienced in its industry mix is the decline in the construction business. Between 2000 and 2010, Cherokee's population grew 51%, which created significant construction opportunities. Near the peak of Cherokee's growth in 2008, the construction industry represented 13.9% of the mix; however, in 2011 it was only 6.3%.

Fortunately, in Q1 2012 the County issued 629 building permits - the highest first quarter since 2008. We are hopeful this is a sign of economic recovery and we will again experience positive growth and a return of construction jobs. In addition, we are aware of several significant new developments in the county requiring construction in the short term, and new jobs and more visitors (driving more sales tax dollars and new property tax assessments), in the long term.

RECENT/UPCOMING DEVELOPMENT

Cherokee County Aquatic Center

The Parks, Recreation and Green Space Bond was successfully created by the citizens of Cherokee County on the November 4th, 2008 election ballot. Voters approved the referendum to issue $90 million in bonds to invest in a healthier and greener Cherokee County by providing parks, recreational facilities and preserving green space for our children and families.



One of the major projects funded by the Parks Bond is the Cherokee County Aquatic Center. On February 7, 2012, members of the community gathered at the Holly Springs site to break ground on the new $16 million facility.

The complex will be comprised of a 48,000 square foot indoor facility, and an 18,000 square foot outdoor leisure pool and deck area. The center will include an indoor 50-meter competition pool with spectator seating for 700, an indoor 25-yard recreational pool with warmer water for therapy, exercise and instruction, two indoor poolside classrooms and party rooms, a spacious lobby, and seating areas with pool overlook. The outdoor pool will have a lazy river, two slides, zero entry shallow pool, plunge pools, river rapids, basketball goals, deck/floor sprays, and vortex play structures. A concession stand, generous locker rooms and family restrooms will serve both the indoor and outdoor facilities. The project site is over 37 acres, which will include a parking lot with 300 spaces. It is expected to open in Spring 2013.



In addition to affordable recreation for residents, and the ability to support local school swim teams, aquatic centers also spur significant positive economic impact to a community. Competitive swimming is a growing sport, adding more participants each year. High school swim meets draw hundreds of visitors from outside counties who require hotel accommodations, restaurants, and retail sales. According to an article in the *Times-Georgian,* a single weekend swim meet held in Carrollton, Georgia had an economic impact of $1.13 million, according to Jonathan Dorsey, Executive Director of the Carrollton Area Convention and Visitors Bureau.

The Outlet Shoppes at Atlanta

In May 2012, city and county leaders along with officials from Horizon Group Properties had a groundbreaking ceremony to welcome The Outlet Shoppes at Atlanta to Woodstock. The $80 million, 370,000 square foot facility is being built on 60 acres conveniently located off I-575 at Ridgewalk Parkway. The initial phase is scheduled to open in August 2013 and is so far slated to feature popular brands including: Saks Fifth Avenue OFF 5th, White House | Black Market, Guess, Under Armour, Talbots, Puma, Michael Kors, Cole Haan, Le Creuset, and Levis. Additional retailers will be announced in the future.



The facility will feature covered walkways, landscaped courtyards, a children's play area, a center court with fountains and fireplaces, and eight out-lots for restaurants and other uses. This festive, shopper-friendly atmosphere is expected to draw as many as 4 million visitors annually from a three state area and is projected to generate more than $130 million in annual sales. This project will have a significant economic impact to the county as the shopping center is expected to add 1,200 permanent jobs and drive $1.3 million in additional sales tax revenue.

New Northside Hospital Medical Facility

Due to the growing population and community utilization of the current facility, and due to limitations and capacity constraints, Northside Hospital has announced plans to relocate the current hospital to land it currently owns in an undeveloped area near I-575 and Ga Hwy 20. The new site will have excellent visibility from major roads and thoroughfares, and there will be ample room for further expansion as the community's needs grow.

The new $250 million, 84-bed facility will be state-of-the-art and include:

- larger patient rooms, operating rooms and diagnostic rooms,
- a distinct Women's Center,
- a multi-specialty medical office building & cancer center, and
- a 600-space parking deck and 300 surface parking spaces.

It is expected to open in Spring 2015 and create hundreds of new healthcare and office jobs in the county.



Newly Opened 5,000 Foot Runway at Cherokee Regional Airport

The newly opened 5,000-foot runway at the Cherokee Regional Airport in Ballground now allows the airport to accommodate larger aircraft and corporate jets. The expansion has resulted in additional corporate jets being housed in Cherokee County, the construction of two new aircraft hangars, and plans for additional hangars - all positive news for the property tax base and indicative of new business interest. Misti Martin, Director of the Cherokee County Office of Economic Development, says the airport plays an important role in attracting new business prospects.

In addition, the airport expansion has received numerous awards:

- The Georgia Airports Association: "General Aviation Project of the Year for 2011"
- The Georgia Partnership for Transportation Quality: "Best Airport Design for 2011"
- The Georgia Partnership for Transportation Quality: "Grand Design Award for 2011"
- The Georgia Engineering Alliance: "2012 Honor Award" presented to WK Dickson & Company Inc. for Cherokee County Regional Airport improvements



Cherokee 75 Corporate Park

The Cherokee County Office of Economic Development is paving the way for a new 100-acre corporate park in southwest Cherokee County. The property is located on Ga Hwy 92, less than three miles from I-75, a major distribution route with quick access to Atlanta's booming metropolis.



The master plan for the new Cherokee 75 Corporate Park includes retail space at the front of the property and smaller business office locations directly behind the retail. The back portion of the property is designed to accommodate larger build-to suit corporate space. The property also boasts newly obtained Opportunity Zone (OZ) designation. Companies looking to locate in these designated areas can qualify for state tax incentives. The Office of Economic Development is investing in phase one of the development to include a new parkway through the property, signage, landscaping, and a portion of utilities. This is expected to make the park ready for occupancy by corporate and light industrial clients.

Cherokee Conference Center

The Cherokee County Board of Commissioners and County Manager Jerry Cooper identified a need and designed a multi-purpose venue for the citizens of Cherokee County, and visitors from outside the county, to enjoy. The Northside Hospital-Cherokee Conference Center was funded with SPLOST proceeds, and is strategically located at the Bluffs at Technology Park. It features over 8,000 square feet of conference space including four configurable conference rooms with advanced technology, internet, and audio/visual services. The rooms can be rented individually or combined to seat 500 guests.





While the Conference Center has been open since 2009, it has definitely experienced momentum and is a popular venue for weddings, proms, and various business and community events. Hotels in the area believe this investment in the community is a primary driver for their increased business. This has generated significant growth in Hotel/Motel Lodging Tax collections, which are used to further promote tourism.

Gibbs Gardens



Gibbs Gardens, privately owned and located in Ballground, officially opened to the public in March 2012. The 300 acre estate offers visitors the opportunity to enjoy 15 million daffodils (the largest daffodil display in the United States), a 40 acre authentic Japanese garden, 140 varieties of water lilies, 16 dazzling garden venues accessed by tree-shaded paths and by tram, and seven terraced gardens surrounding the manor house.

Gibbs Gardens is open for individuals, group tours, weddings and corporate events. It has already been visited by thousands, and is expected to generate more tourism in Cherokee County.

Woodstock Amphitheater

The city of Woodstock has recently experienced booming interest and business growth. The area has become a popular destination for restaurants, festivals, and other entertainment. The city's popular summer concert series and other special events have prompted the city to plan a $2.2 million park expansion to include an outdoor amphitheater. The acreage for the park will be increased from 1 to 3.3 acres and highlights of the design include capacity for 3,000 – 4,000, a lawn area for picnics and lawn chairs, a terraced seating section, a concession plaza with restrooms, wheelchair accessible entrances and exits and a permanent bandstand with a cover. The bandstand would include two brick towers housing audio/visual screens and LED light fixtures on posts would cover the grounds. Construction is slated to begin in the Fall of 2012 and is expected to be completed in 8 months. While this is a project managed and funded by the city of Woodstock, it is expected to generate tourism and sales to benefit all county residents.



Certified Work Ready Community

In April 2011, Cherokee County was recognized as a Certified Work Ready Community by the Governor's Office of Workforce Development. Cherokee County, consistently one of the fastest growing communities in the U.S., partnered with Chattahoochee Technical College and the Cherokee County Chamber of Commerce to pursue this designation to increase employment opportunities for business and industry in the county. In order for a community to achieve Work Ready certification, it must develop and implement a plan to boost high school graduation rates county-wide, profile jobs within the business community and award a number of Work Ready certificates based upon the size of the community.

Work Ready gives companies the tools to recruit better quality candidates, train new employees faster, and reduce turnover, which can save companies thousands of dollars each year.

Work Ready benefits job seekers by providing free and easy-to-access training programs. After completing the training, job seekers are issued certificates verifying their work readiness skill level to potential employers. All of this adds up to a competitive advantage, better job opportunities and a brighter future.

Profile of County Population

RACE	Cherokee	Georgia	US
White	81.3%	55.9%	63.7%
Black	5.7%	30.5%	12.6%
Hispanic	9.6%	8.8%	16.3%
Asian	1.7%	3.2%	4.8%
Other	1.7%	1.6%	2.6%
Total	100.0%	100.0%	100.0%

GROWTH	Cherokee	Georgia	US
Population % Change 2000 - 2010	51.1%	18.3%	9.7%

INCOME	Cherokee	Georgia	US
Median Household Income	$66,320	$49,347	$51,914

HOMEOWNERSHIP	Cherokee	Georgia	US
Homeownership Rate	80.6%	67.2%	66.6%

EDUCATION (age 25+)	Cherokee	Georgia	US
High School Graduates	88.9%	83.5%	85.0%
Bachelor's Degree or Higher	33.6%	27.2%	27.9%

POVERTY	Cherokee	Georgia	US
Persons Below Poverty Level	7.4%	15.7%	13.8%

Source:http://quickfacts.census.gov

Recent Awards/Achievements/Recognition

We pride ourselves in providing exceptional service to residents, businesses and visitors. We are pleased to present the following list of recent achievements highlighting our hard work and commitment to excellence:

- Lowest number of county employees per capita in 10-County ARC Region
- Lowest tax burden per capita in the 10-County ARC Region
- Cherokee County Fire & Emergency Services Agency was lauded in Georgia Trend Magazine as one of the Best Places to Work in Georgia in 2011. Also awarded #1 EMS Agency in Georgia in 2009
- Achieved "Entrepreneur Friendly Designation" and "Camera Ready Designation" by State of Georgia
- Cherokee E911 Agency was awarded national accreditation by the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) in 2011, becoming only the 4th E911 Agency in the State of Georgia to receive national accreditation. Also awarded E911 Communications Call Center of the Year in 2009
- In 2009, Standard & Poor's upgraded Investment Services Rating to AA+, one step below the best rating AAA. This rating was affirmed in May 2012 – which given the economic downturn is a significant accomplishment.
- Sheriff's Office is nationally accredited by Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA)
- The Cherokee County Marshal's Office is 1 of 2 out of 36 Marshals Offices in the State of Georgia that hold "State Certification"
- Sunshine Review A+ for Transparency (County Website's reporting of information)
- Development Services Center received the 7th Annual Georgia County Excellence Award for Organizational Efficiency presented by Georgia Trend Magazine and the Association of County Commissioners of Georgia

Current Year Results

Due to a very rigorous budget process and commitment from every County employee – on a County-wide basis we were able to report revenues greater than budget, and expenses less than budget. Specifically for the General Fund, expenditures were less than budget by nearly $2.3 million, and revenues were better than budget by more than $1.2 million, which improved fund balance by $3.5 million. Given the decrease in revenues caused by the economic downturn, and the fact that the county had already been operating very frugally (and therefore very little discretionary spending could be cut), we are very proud of this performance.

The following chart reflects performance by fund. Please note that while some funds have negative revenue variances, in most cases these were offset by positive expense variances. The final column of the chart below reflects the final net impact to the fund.

CHEROKEE COUNTY BOARD OF COMMISSIONERS
2011 RESULTS BY FUND

	REVENUES/FUNDING SOURCES			EXPENDITURES/FUNDING USES			NET IMPACT
	2011 Current Funding Sources Budgeted	2011 Current Funding Sources Actual	Revenue Variance Better/(Worse)	2011 Final Budget	2011 Actual	Expenditure Variance Better/(Worse)	Net Better/(Worse)
GENERAL	$57,967,043	$59,227,875	$1,260,832	$57,967,043	$55,680,603	$2,286,440	$3,547,272
LAW LIBRARY	$152,000	$149,878	($2,122)	$152,000	$110,857	$41,143	$39,021
SHERIFF FORFEITURES	$149,050	$240,749	$91,699	$149,050	$149,050	$0	$91,699
E911 TELEPHONE	$4,103,000	$3,847,572	($255,428)	$4,270,843	$4,096,325	$174,518	($80,910)
SENIOR SERVICES	$1,252,060	$1,124,873	($127,187)	$1,255,032	$1,120,028	$135,004	$7,817
PARKS AND RECREATION	$2,632,007	$2,931,530	$299,523	$2,632,007	$2,623,198	$8,809	$308,332
INSURANCE PREMIUM TAX	$6,437,080	$7,009,035	$571,955	$6,437,080	$6,593,088	($156,008)	$415,947
TRANSPORTATION	$1,641,749	$986,507	($655,242)	$1,641,749	$816,949	$824,800	$169,558
MULTIPLE GRANTS	$1,893,768	$1,844,020	($49,748)	$1,893,768	$1,776,212	$117,556	$67,808
CDBG	$1,791,913	$1,060,966	($730,947)	$1,791,913	$1,067,632	$724,281	($6,666)
ANIMAL SERVICES	$937,919	$908,753	($29,166)	$952,016	$888,496	$63,520	$34,354
DA's CONDEMNATION	$15,000	$18,172	$3,172	$40,000	$3,248	$36,752	$39,924
DRUG ABUSE & TRMT	$152,500	$151,034	($1,466)	$152,500	$101,000	$51,500	$50,034
VICTIM/WITNESS	$173,662	$192,722	$19,060	$192,618	$184,474	$8,144	$27,204
DUI COURT	$319,129	$381,065	$61,936	$386,664	$368,575	$18,089	$80,025
FIRE ADMIN	$18,253,945	$18,130,141	($123,804)	$18,440,049	$18,439,967	$82	($123,722)
JAIL FUND	$405,000	$419,094	$14,094	$896,774	$896,733	$41	$14,135
SHERIFF'S COMMISSARY	$300,000	$176,645	($123,355)	$300,000	$207,454	$92,546	($30,809)
CONFISCATED ASSETS	$207,568	$258,716	$51,148	$309,034	$360,182	($51,148)	$0
HOTEL/ MOTEL TAX	$116,728	$116,728	$0	$116,728	$116,728	$0	$0
RRDA	$1,372,833	$1,827,494	$454,661	$1,372,833	$1,219,323	$153,510	$608,171
CONFERENCE CENTER	$318,279	$377,036	$58,757	$326,115	$326,115	$0	$58,757
EMERGENCY MEDICAL SERVICES	$6,752,920	$7,276,939	$524,019	$6,752,920	$6,678,161	$74,759	$598,778
INSURANCE AND BENEFITS	$10,069,083	$11,782,014	$1,712,931	$10,069,083	$9,513,903	$555,180	$2,268,111
FLEET MAINTENANCE	$1,435,005	$1,435,005	$0	$1,435,005	$1,481,336	($46,331)	($46,331)
TOTAL OPERATING	**$118,849,241**	**$121,874,563**	**$3,025,322**	**$119,932,824**	**$114,819,637**	**$5,113,187**	**$8,138,509**
DEBT SERVICE	$12,546,585	$14,069,943	$1,523,358	$12,546,585	$12,787,492	($240,907)	$1,282,451
IMPACT FEE	$134,000	$169,293	$35,293	$400,000	$0	$400,000	$435,293
PARKS BOND	$7,500	$63,700	$56,200	$18,268,730	$6,602,546	$11,666,184	$11,722,384
SPLOST IV	$1	$464	$463	$1,302,897	$1,303,549	($652)	($189)
SPLOST V	$30,307,481	$32,286,536	$1,979,055	$30,307,481	$24,369,236	$5,938,245	$7,917,300
TOTAL CAPITAL RELATED	**$42,995,567**	**$46,589,936**	**$3,594,369**	**$62,825,693**	**$45,062,823**	**$17,762,870**	**$21,357,239**
TOTAL	**$161,844,808**	**$168,464,499**	**$6,619,691**	**$182,758,517**	**$159,882,460**	**$22,876,057**	**$29,495,748**

Notes Regarding Negative Net Impacts:

- E911 Fund – beginning in 2012, new state law will allow the county to collect E911 tax from prepaid phone sales. This additional revenue will cover future expenses.
- The small negative net impact reported for the CDBG Fund is related only to timing. The balance in this fund carries over to future years so if there are more expenditures in one year, the following year's expenditures will be less; over the entire grant period revenues will exactly equal expenditures.
- In order to reduce headcount and personnel expenses, in 2011 the county offered a severance package for long term employees. Eleven firefighters accepted the severance. This increased costs in 2011, but will significantly reduce costs in future years. Therefore revenue in the Fire Fund will be adequate to cover costs in future years.
- The Sheriff's Commissary Fund has an adequate fund balance to cover expense variances between years.
- Fleet Maintenance Fund is shown as "over-budget," but this is only due to a non-cash depreciation expense. Because this is an internal service fund, we are required to charge the fund for depreciation expense, however this is not a cash impact that must be covered.

Long-term Financial Planning

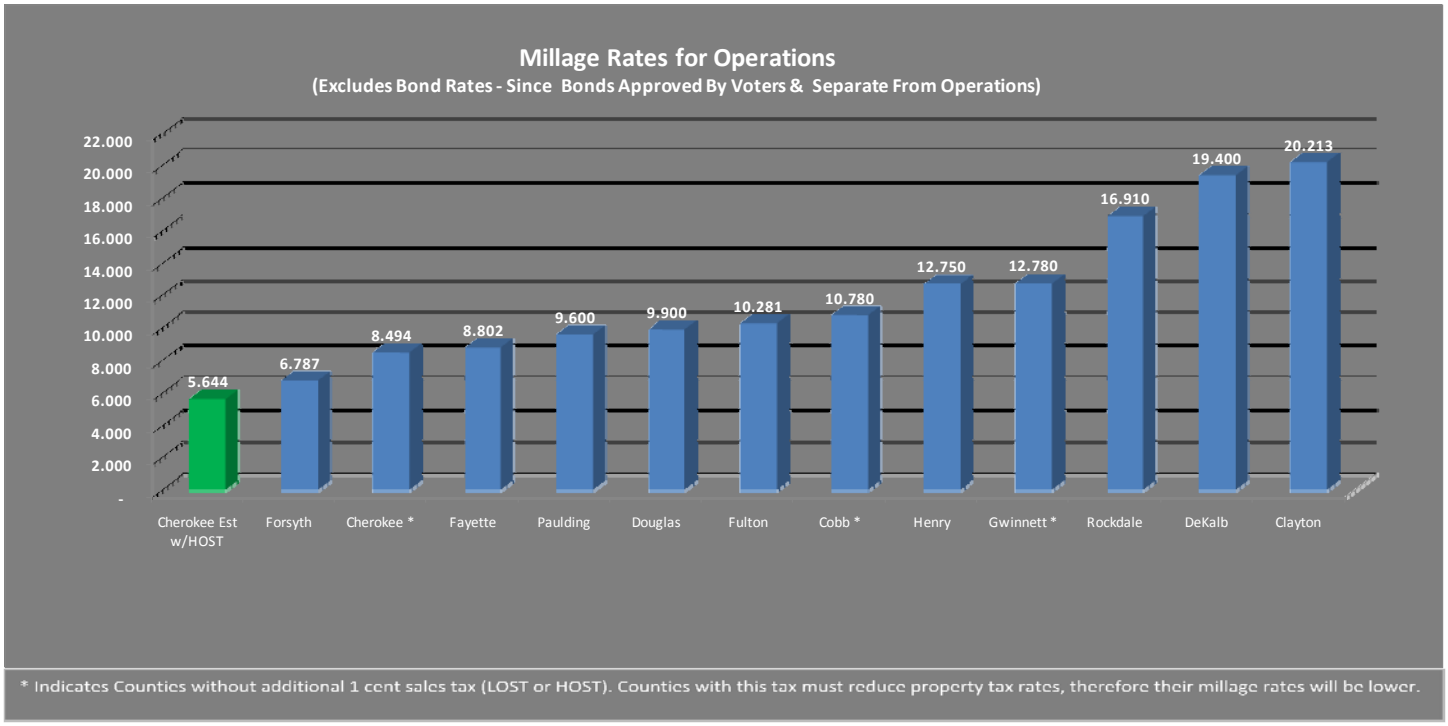
While the county experienced positive growth from 2000 – 2008, like most counties, Cherokee County was negatively impacted by the downturn in the economy beginning in 2008. Although our revenue sources were already diversified, nearly all of these sources declined putting significant pressure on the County Budget.

Property Taxes

Since 2003, our Tax Digest increased by double-digit percentages each year until 2009 when it decreased 3.3%. This was followed by an 8.5% decrease in 2010, and 5.9% decrease in 2011. As of the date of this letter, we anticipate 2012 will decrease another 6.8%. Since property taxes account for 74% of General Fund & Fire Fund operating costs – this has had a severe impact on our budget and we were forced to increase our millage rate in 2011. Even so, Cherokee County still has the sixth lowest General Fund millage rate (5.365) out of Georgia's 159 counties. In addition, the five counties with lower rates all have an additional 1 cent sales tax (**L**ocal **O**ption **S**ales **T**ax) which is used to lower their property tax rate – therefore their millage rates *should be* lower than Cherokee County.

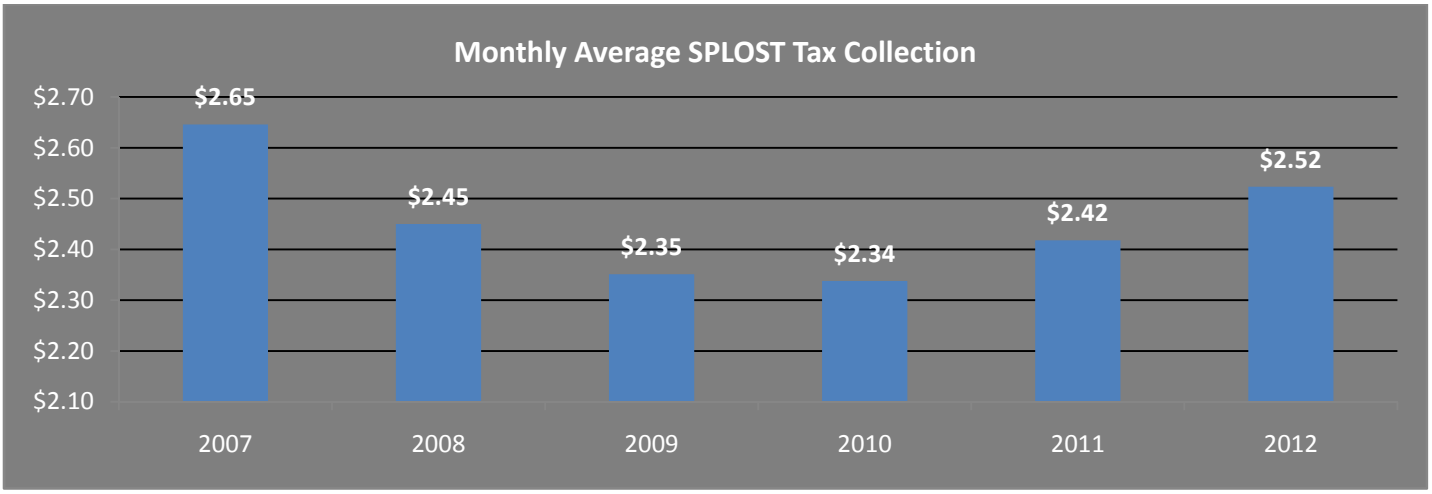
Because of this, Cherokee County will include a referendum on the November 2012 ballot for voters to consider approving an additional 1 cent sales tax (**H**omestead **O**ption **S**ales **T**ax), which will be used to increase the homestead exemptions for qualified properties, thus reducing property taxes paid by homeowners. Because property taxes would be reduced by the amount of sales taxes – this would be revenue neutral to the County. The purpose of this change is to collect sales tax from all sales/all buyers living and visiting the county, rather than forcing only Cherokee property owners to cover the cost of county government operations. Since 156 other counties levy this additional sales tax we believe this is more fair to our residents.

If the referendum is approved, once the County collects the sales tax and reduces the millage rate, Cherokee County's General Fund millage rate will be the lowest in Georgia.



Sales Taxes

SPLOST taxes peaked in 2007 at $31.7 million. By 2010 the total had dropped to $28.1 million, but in 2011 we saw some recovery at $29.0 million. As of the date of this letter, 2012 sales tax collections have been increasing; May YTD 2012 = May YTD 2007 at $12.6 million. We are hopeful this is another sign of economic recovery. In addition, we hope that if the HOST referendum is passed, this will safely diversify our revenue sources and allow us to maintain the lowest General Fund millage rate in the state, while still delivering the high service levels our residents expect and deserve. Given the new business developments discussed earlier, we believe Cherokee County's financial sustainability is promising.



Fund Balance

Before the economic downturn, Cherokee County was careful to maintain generous cash reserves. As an example, in 2007 the General Fund's cash low point was $12 million which equaled 20% of General Fund annual expenses. In an effort to keep property taxes as low as possible, the County relied on these reserves to manage through budget constraints caused by the tough economy. At the same time, the County made other changes to operations to reduce costs including:

- Eliminating 85 positions (approximately 7% of FT positions)
- Changing the County health insurance plan to require higher employee contributions and deductibles
- Implementing a Wellness Program to incent healthier employees and lower healthcare costs
- Utilizing overfunding credits in our pension plan to reduce current year contributions
- No cost of living/across the board employee raises since 2007
- Any expense that *can be* delayed (maintenance, travel/training, new assets) *has been* delayed

The County believes it is currently operating as lean as possible, and in fact, realizes some costs cannot be delayed much longer. We are hopeful that if the HOST referendum is approved we can carefully address some areas that require attention and funding. However, we plan to address these areas on an exception basis, so we can begin to recover cash reserves and rebuild an adequate fund balance.

Change in Fiscal Year

2011 will be the County's last fiscal year that is based on the calendar year. In 2012 the County is converting to a September 30 year end. We believe changing the fiscal year is important for transparency and proper budget management. Currently the County appears "cash rich" at our calendar/fiscal year end because we collect the majority of our property tax revenue when bills are due December 20th. If a reader of our financial statements was not aware of this, they might infer our financial condition is stronger than it is. In fact, they might question the tax rate is too high if we have such a significant cash balance. However, they would be missing the fact that the County uses these collections to fund *the following year*, and each month the cash position decreases until we hit our very lowest cash level right before we receive property tax collections again.

In addition, state law requires budgets to be balanced for each fiscal year. But when such a large portion of revenue is not received until the very end of the year – if revenue is less than budget – County management does not know this until it is too late to implement budget changes to avoid an operating deficit. Once we convert our fiscal year we will receive property taxes at the beginning of our fiscal year; therefore if revenue is below projections the County can implement changes earlier and can avoid operating deficits.

Changing the fiscal year will also align our health insurance plan dates, and provide more complete information about the following year's budget requirements before the millage rate is set.

Cherokee County Board of Commissioners
1130 Bluffs Parkway | Canton, GA 30114

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, 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 outside departments or functions 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.

Acknowledgments 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. In addition, some content and photos have been reproduced courtesy of Cherokee County Chamber of Commerce, Advertising Dynamics, Inc., and the Cherokee County Historical Society. My sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

Respectfully submitted,

Janelle Funk

Janelle Funk
Cherokee County CFO

Cherokee County Government Organizational Chart

Citizens of Cherokee County

Board of Commissioners

L. B. Ahrens, Chairman
Harry Johnston, Post 1
Jim Hubbard, Post 2
Karen Bosch, Post 3
Jason Nelms, Post 4

Other Elected Officials

- **Sheriff** — *Roger Garrison*
- **Tax Commissioner** — *Sonya Little*
- **Coroner** — *Earl Darby*
- **County Surveyor** — *Ron Wikle*

Mission

The Cherokee County Board of Commissioners is dedicated to providing a "Superior Quality of Life" for its residents.

OUR GOAL:
To preserve the Beauty, Unique Character, and Desirability of the Community where we live, work, and play.

OUR PROMISE:
Listen to you; Respect your Rights; & Represent you with the highest standards of Ethics and Integrity.

OUR COMMITMENT:
Service Excellence & Continuous Improvement; Accelerate Infrastructure Improvements; State-of-the-art Public Safety facilities, training, and personnel; Fiscal Responsibility & Conservative Planning to maintain lowest tax rates in ARC - Metro Atlanta.

Blue Ridge Judicial Circuit

Superior Court

Frank Mills, Chief Judge
N. Jackson Harris, Superior Court Judge
Ellen McElyea, Superior Court Judge

Lisa West, Pre-Trial Services

Juvenile Court

John Sumner, Juvenile Court Judge
Tony Baker, Juvenile Court Judge

District Attorney's Office

Garry Moss, District Attorney

State Court of Cherokee County

C.J. Gober, Chief Judge
W. Alan Jordan, State Court Judge
Dee Morris, State Court Judge

Lynn Epps, DUI Court

Solicitors Office

David Cannon, Jr., Solicitor General

Magistrate Court

James Drane, Chief Judge

Probate Court

Keith Wood, Chief Judge

Clerk of Court

Patty Baker, Clerk of Court

County Attorney
Angie Davis
Jarrard & Davis, LLP

County Clerk - Administrative Office Manager
Christy Black

Clerk to BOC
Office Management
Records Management

County Manager
Jerry W. Cooper

Communications-Outreach
Conference Center
Special Projects

Other Agencies

Cherokee Arts Council
UGA County Extension Services
Historical Society

Boards, Committees and Authorities

Cherokee Office of Econimic Development
Development Authority of Cherokee County
Planning Commission
Zoning Board of Appeals
Fire Regulations Appeals Board
Board of Health
Health Department
Environmental Health
Recreation & Parks Advisory Board
Lake Allatoona Preservation Authority
Cherokee Library Board of Trustees
Board of Tax Assessors
Tax Assessors Office
Board of Equalization
Cherokee Water & Sewerage Authority
Indigent Defense Committee
Indigent Defense Office
Wrecker Services Advisory Board
Cherokee County Airport Authority
Board of Elections & Registration
Elections Superintendent
Region I EMS Advisory Board

Community Development
Jeff Watkins, Director

Land Use Management
Community Planning
Building Inspections
Development Services Center
Business Licenses (Occupational Tax)

Cherokee Recreation and Parks
Bryan Reynolds, Director

Administration
Athletics
Recreation
Parks Maintenance
Cherokee Fitness & Wellness Center

Information Technology Services
Evariste Nya, Director

Network Systems & Security
Support Services
Telecommunications
Geographic Information Systems (GIS)

Fire-Emergency Services
Timothy Prather, Fire Chief

Operations (Fire Fighting & EMS)
Logistics
Training
Fire Protective Services

Leadership Team

Public Works
Geoff Morton, Director

Engineering
Property Management
Fleet
Roads & Bridges
Stormwater Management
Capital Program Management
CATS - Public Transportation

County Marshal
Chris Collett, Chief Marshal-E911 Director

Code Enforcement
Animal Shelter
Animal Control
Emergency Communications (E9-1-1)
Recycling-Litter Control

Financial Management & Budgeting
Janelle Funk, CFO

Finance
Budgeting
Procurement & Risk Management
CDBG

Senior Services
Nathan Brandon, Director

Compliance & Fiscal Affairs
Transportation
Case Management
Homemaker Services
Home Delivered Meals (MOWS)
Information & Assistance

Human Resources
Steven McClure, Director

Benefits
Employment
Training

Version 9.16.2011

CHEROKEE COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2011

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

Sonya Little
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

Susan Garcia
Animal Shelter Director

Steven McClure
Human Resources Director

Christy Black
County Clerk

Gary Caviness
Building Inspections Director

Tim Prather
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

Geoff E. Morton
Public Works Director

Evariste Nya
IT Services Director

Janet R. Munda
Elections Director

Chris Collett
County Marshall

Jeff F. Watkins
Community Services Director

Bryan Reynolds
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, 2011, 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 56% and 96%, respectively, of the assets and revenues 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, 2011, 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.

As discussed in Note 1, Cherokee County, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of January 1, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2012, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedule of Funding Progress on pages 4-13 and 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cherokee County, Georgia’s basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, as listed in the table of contents, are also presented for purposes of additional analysis and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 22, 2012

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, 2011. 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

Assets & Liabilities: The total assets of Cherokee County were $1,210,592,787, which exceeded its liabilities of $90,402,620 by $1,120,190,167. Said another way, assets are thirteen times greater than liabilities.

Net Assets: Net assets are defined as Total Assets – Total Liabilities. The primary government's total net assets decreased slightly from $1,121,006,214 to $1,120,190,167. This represents a decrease of $816,047 (0.07%).

Fund Balances:

- Cherokee County's governmental funds reported combined ending fund balances of $89,645,505. This represents an increase of $5,710,562 as compared to the prior year.
- Of the total combined fund balances, $4,363,936, or 4.9%, is available for spending at the government's discretion (Unassigned fund balances)
- Cherokee County's General Fund Balance was $30,191,445. $25,419,651 of this balance was assigned for use in the 2012 Budget, and $4,567,170 was considered unassigned. Unassigned represents 15.1% of the total General Fund balance and 8.8% of total General Fund expenditures. However, because Cherokee County is converting the fiscal year to a September 30 year end, the 2012 Budget represents a short (9 month) budget year. If the 2012 Budget was a typical 12 month budget, management estimates the entire unassigned portion would have been assigned, leaving $0 as Unassigned.

Debt: Bonds Payable decreased from $84,952,000 to $74,612,000. This represents a decrease of $10,340,000 (12.2%), and is due to normal, scheduled repayments.

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.

Please reference the index for the location of the government-wide financial statements in 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 26 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, the Recreation Bond Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other 21 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, proprietary and all other governmental fund types, including capital projects. A budgetary comparison statement has been provided for all of these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on page 14 through 16 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 26 through 28 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 29 of this report.

New Fund Balance Procedures Under GASB Statement 54

Prior to 2011 fund balances were designated as either *reserved* or *unreserved.* In accordance with the governmental accounting standard, GASB Statement 54, which became effective for the County January 1, 2011, governmental entities are now required to present fund balance in the following five categories:

1. *Nonspendable Fund Balance* – non-cash assets such as inventories or prepaid items.
2. *Restricted Fund Balance* – funds legally restricted for specific purposes, such as sales tax and grant funds.
3. *Committed Fund Balance* – amounts that can only be used for specific purposes pursuant to a formal resolution of the Board of Commissioners.
4. *Assigned Fund Balance* – amounts intended to be used for specific purposes, either by the Board of Commissioners or the Board's delegate. (For Cherokee County the Board delegated authority to assign balances to the County Manager).
5. *Unassigned Fund Balance* – residual spendable fund balance after subtracting all above amounts.

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.

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.

The required supplementary information can be found on page 66 of 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.

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 $1,120,190,167 at the close of the most recent fiscal year. Said another way, Cherokee County assets are more than thirteen times greater than its liabilities.

NET ASSETS

	Governmental Fund Activities		Business Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and other assets	$ 120,070,651	$ 115,987,179	$ 1,273,424	$ 631,573	$ 121,344,075	$ 116,618,752
Capital assets	1,088,617,849	1,107,389,735	630,863	703,439	1,089,248,712	1,108,093,174
Total assets	1,208,688,500	1,223,376,914	1,904,287	1,335,012	1,210,592,787	1,224,711,926
Liabilities:						
Current liabilties	6,562,278	7,207,899	225,297	325,876	6,787,575	7,533,775
Long-term liabilitites	83,437,010	96,014,057	178,035	157,880	83,615,045	96,171,937
Total liabilities	89,999,288	103,221,956	403,332	483,756	90,402,620	103,705,712
Net Assets:						
Invested in capital assets, net of related debt	1,050,048,300	1,058,683,428	630,863	703,439	1,050,679,163	1,059,386,867
Restricted	58,696,018	35,732,314	-	-	58,696,018	35,732,314
Unrestricted	9,944,894	25,739,216	870,092	147,817	10,814,986	25,887,033
Total net assets	$ 1,118,689,212	$ 1,120,154,958	$ 1,500,955	$ 851,256	$ 1,120,190,167	$ 1,121,006,214

By far the largest portion of Cherokee County's net assets, $1,050,679,163 or 93.8% 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.

Other Highlights:

- At the end of the current fiscal year, Cherokee County's net assets in the governmental activities had decreased $1,465,746 (0.1%) since 2010.
- The business-type activities, which include the Emergency Medical Services (EMS) and Cherokee Conference Center funds, ended the year with an increase in net assets of $649,699 (76.3%). This was driven primarily by an increase in EMS cash and A/R.
- Cherokee County's total net assets, including both governmental and business type activities, decreased $816,047, which represents a decrease of 0.07%.

Governmental Activities

Revenue from governmental activities decreased $228,263 (0.2%). In other words, this revenue was virtually the same as the previous year. Governmental activity expenses decreased $9,494,339 (6%). While the County proactively cut operating costs and delayed expenditures as much as possible, the biggest driver of this variance is the difference in capital spending. Given tight budget constraints, capital spending is only occurring in the SPLOST and Parks Bond Funds. Since the timing of SPLOST and Parks Bond construction can vary due to project plans, weather, approvals, etc., spending can vary each year. In addition, if projects are not completed as budgeted, the funds will carryover into the following year.

SUMMARY OF CHANGES IN NET ASSETS

	Governmental Fund Activities		Business Activities		Total	
	2011	2010	2011	2010	2011	2010
Program Revenue:						
Charges for Services	$ 22,144,132	$ 21,816,046	$ 6,397,422	$ 5,897,849	$ 28,541,554	$ 27,713,895
Operating Grants	5,005,625	3,702,555	21,000	21,000	5,026,625	3,723,555
Capital Grants:	11,517,533	18,724,096			11,517,533	18,724,096
General Revenue:						
Property Taxes	61,718,917	59,595,990			61,718,917	59,595,990
Alcoholic Beverage Taxes	870,637	899,933			870,637	899,933
Franchise Taxes	1,587,195	1,484,307			1,587,195	1,484,307
Sales Taxes	29,288,708	27,381,983			29,288,708	27,381,983
Insurance Premium Taxes	6,508,474	5,686,599			6,508,474	5,686,599
Other Taxes	116,728	89,491			116,728	89,491
Interest	2,537,155	2,018,183	260,821	187,728	2,797,976	2,205,911
Other	42,501	166,685			42,501	166,685
TOTAL REVENUES	141,337,605	141,565,868	6,679,243	6,106,577	148,016,848	147,672,445
YOY Change		(228,263)		572,666		344,403
Program Expenses:						
General Government	11,709,843	11,238,380			11,709,843	11,238,380
Judicial	12,131,482	12,934,968			12,131,482	12,934,968
Public Safety	53,392,268	58,859,578			53,392,268	58,859,578
Public Works	48,284,482	50,666,579			48,284,482	50,666,579
Health and Welfare	4,954,955	5,332,454			4,954,955	5,332,454
Culture and Recreation	4,287,850	5,085,377			4,287,850	5,085,377
Housing and Development	3,656,342	3,582,765			3,656,342	3,582,765
Interest	3,411,397	3,622,857			3,411,397	3,622,857
Intergovernmental					-	-
Emergency Medical Services			6,678,161	7,429,041	6,678,161	7,429,041
Conference Center			326,115	224,636	326,115	224,636
TOTAL EXPENSES	141,828,619	151,322,958	7,004,276	7,653,677	148,832,895	158,976,635
YOY Change		(9,494,339)		(649,401)		(10,143,740)
Change in Net Assets Before Transfers	(491,014)	(9,757,090)	(325,033)	(1,547,100)	(816,047)	(11,304,190)
Transfers	(974,732)	(404,491)	974,732	404,491	-	-
Changes in Net Assets	(1,465,746)	(10,161,581)	649,699	(1,142,609)	(816,047)	(11,304,190)
Beginning Net Assets	$ 1,120,154,958	$ 1,141,909,295	$ 851,256	1,993,865	1,121,006,214	1,143,903,171
Restatement		(11,592,766)			-	(11,592,767)
Ending Net Assets	$ 1,118,689,212	$ 1,120,154,9588	$ 1,500,955	$ 851,256	$ 1,120,190,167	$ 1,121,006,214

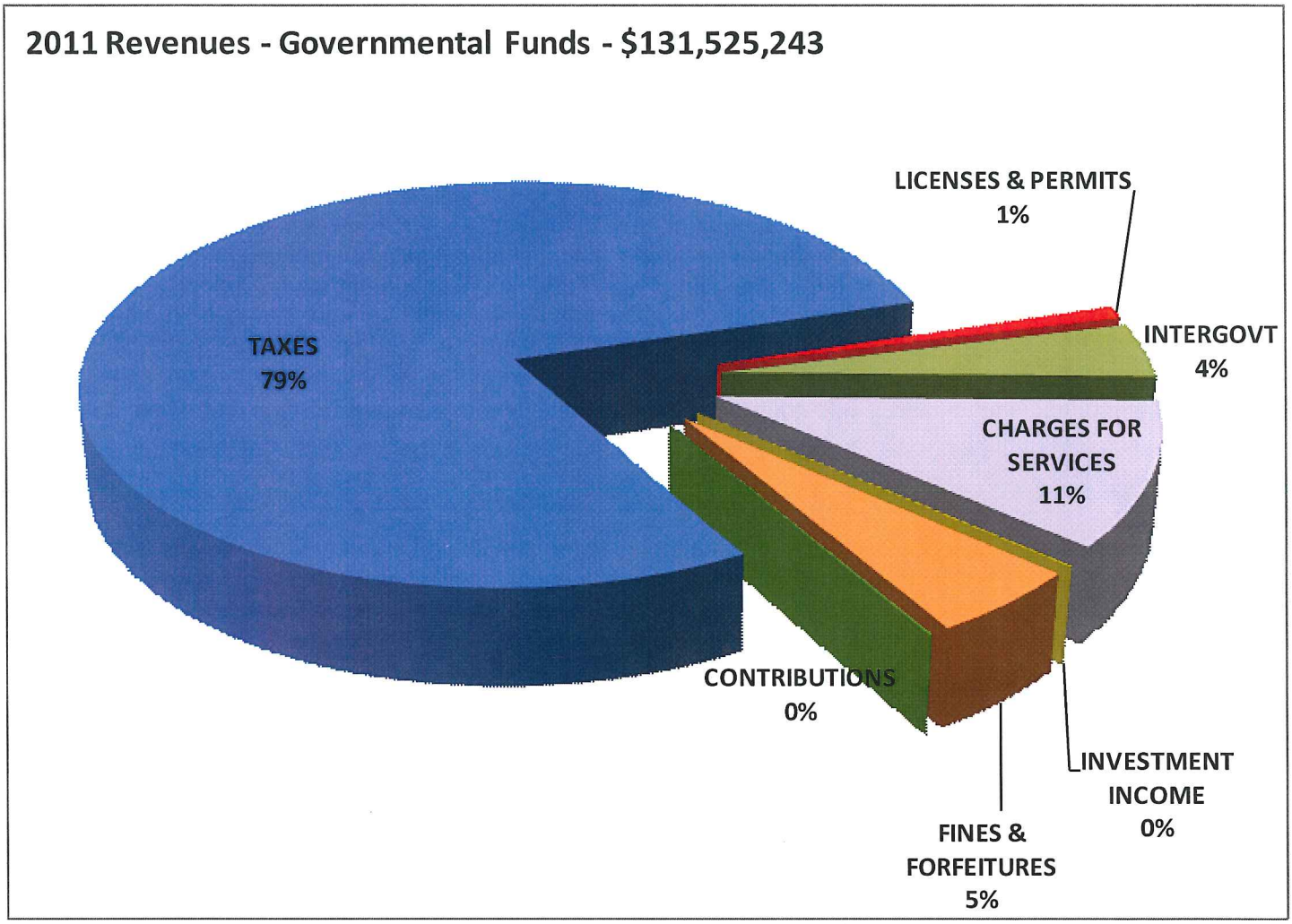
Financial Analysis of the Government's Funds

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, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

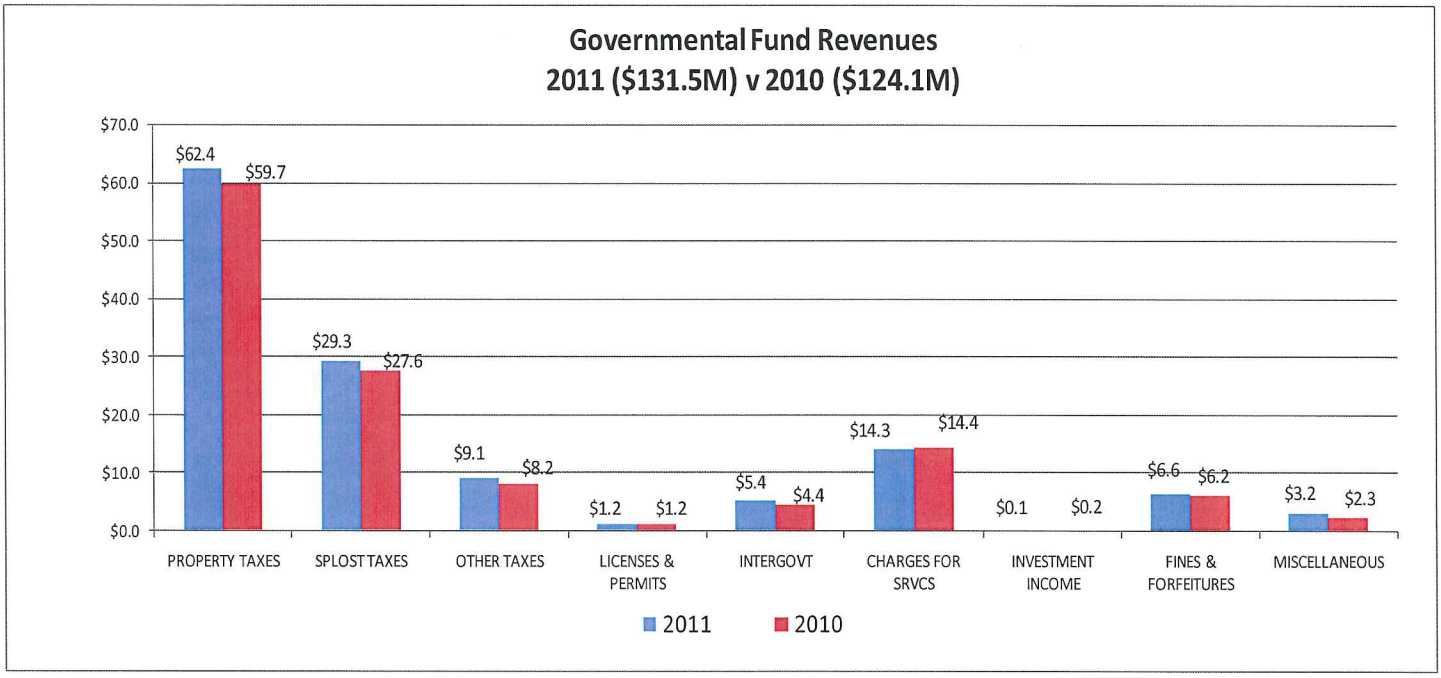
2011 Revenues for Cherokee County's governmental funds in 2011 totaled $131,525,243. The majority of funding is generated from Taxes at $100.8 million, which is comprised of property taxes of $62.4 million, sales taxes of $29.3 million, insurance premium taxes of $6.5 million, and other miscellaneous taxes of $2.6 million.



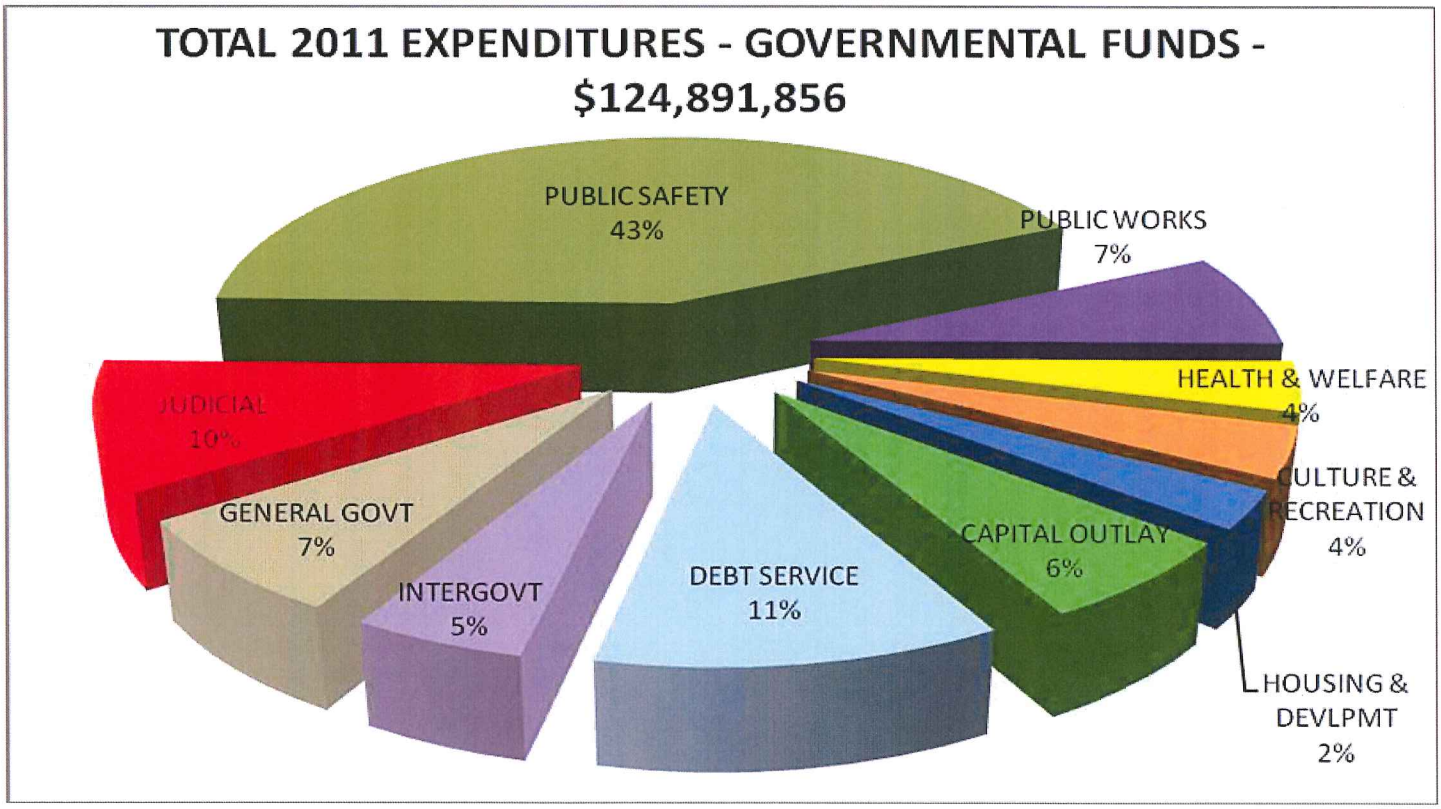
Total revenues increased $7,379,770 as compared to 2010.

Property tax revenue increased $2,706,799 due to accelerated collections and the increase in the millage rate. The 2010 total county millage rate was 8.298. In 2011 the millage rate was adjusted by 0.515 to account for the decrease in property values (termed the "rollback or rollup" change, not a tax increase), and then increased by 0.322 to cover the shortfall caused by three years of difficult economic conditions. This brings the total rate for 2011 to 9.135.

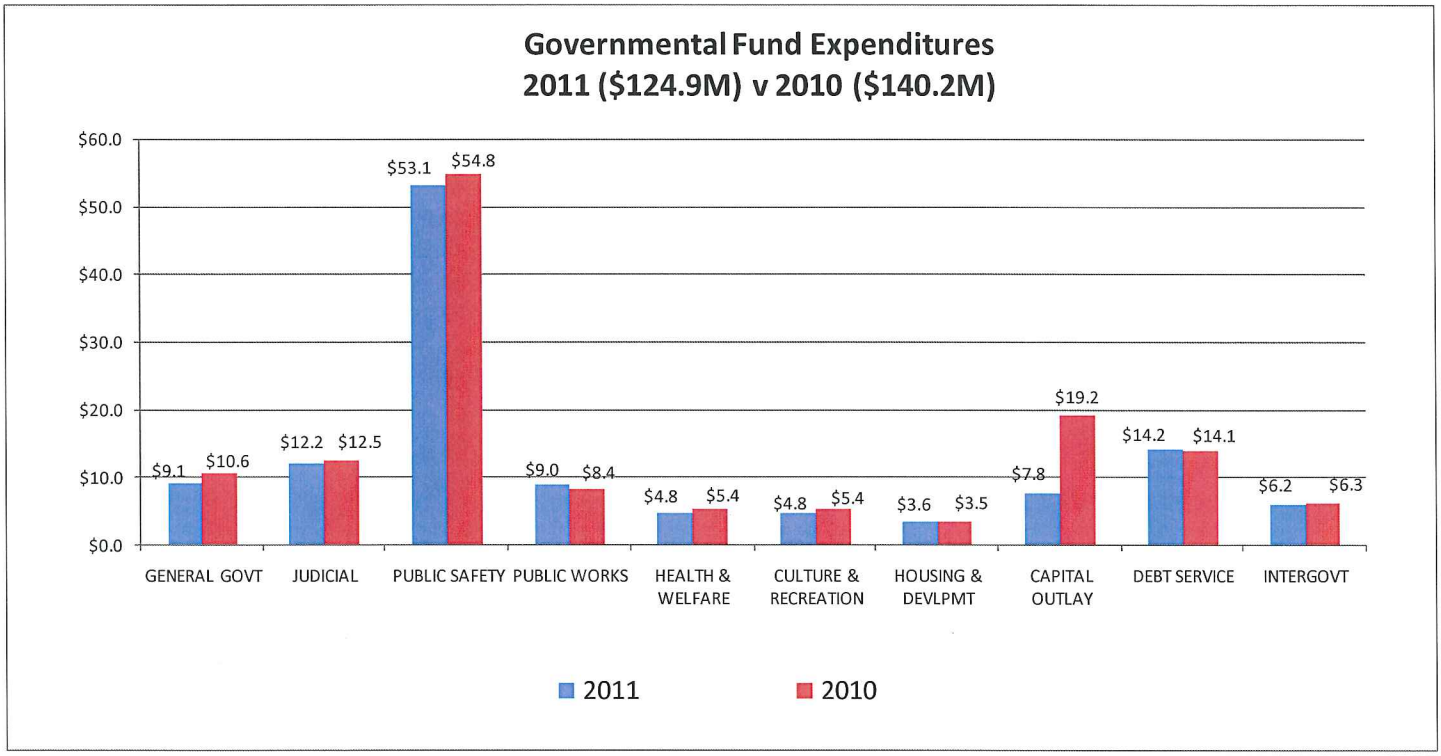
Sales taxes increased which we hope is a sign of economic recovery and insurance premium taxes increased strictly based on the county's increased population.



Governmental expenditures totaled $124,891,856. Of this total, 53% is required to support public safety and judicial services.



When comparing 2010 totals to 2011, total governmental fund expenditures decreased $15,258,320. While the County took proactive steps to reduce operating costs, the biggest driver to this decrease is capital spending which is influenced by the timing of construction.



As of the end of the current fiscal year, Cherokee County's governmental funds reported combined ending fund balances of $89,645,505, a net increase of $5,710,562 from the prior year. Of this, $4,363,936, or 4.9%, constitutes *unassigned 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 $30,191,445 of which $4,567,170, or 15.1%, represents the *unassigned* portion. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures; the unassigned fund balance represents 8.8% of General Fund expenditures. However, if the budget for 2012 had been the typical 12 months, rather than 9 months (there were fewer months due to the conversion in fiscal year), management estimates the unassigned portion would have been needed to fund the 2012 Budget, leaving $0 unassigned.

Cherokee County's General Fund balance increased by $3,547,273 during the current fiscal year. This increase was due to General Fund departments operating below their allocated budgets and some revenues exceeding the budgeted amounts.

The Fire District Fund is another major fund of the County which is primarily supported by property taxes. At year end, the total fund balance of this fund was $12,109,717, which was $309,826 lower than the 2010 balance. The decrease was caused by the County offering a retirement incentive to long-term employees. Eleven firefighters accepted the incentive which increased severance costs in 2011. However, this retirement incentive was offered to reduce future personnel costs; therefore, in future years revenue in this fund will exceed expenditures and operating deficits will not be incurred. Due to the new pronouncement from GASB, none of this fund balance is considered unassigned. All the fund balance is restricted for the use of Fire Department operations.

The SPLOST V Fund is a major fund of the County which is primarily supported by sales taxes. At year end, the total fund balance of the SPLOST V fund was $7,919,298 - all classified as restricted. This balance represents an increase over 2010 of $7,917,300. This increase is primarily due to the timing of construction of capital projects. As previously discussed, spending is dependent on the progress of construction which is influenced by project management, weather, approvals, etc. As the fund collects sales tax revenue each month, if it is not spent on projects, the balance will accumulate and carryforward so the projects will be completed in future years.

The Recreation Bond Fund is a major fund of the County which is primarily used to account for the expenditures of the proceeds from the County's park bond issues. At year end, the total fund balance of the Recreation Bond fund was

$21,594,215- all classified as restricted. This balance represents an decrease from 2010 of $6,538,846. This decrease is primarily due to the timing of construction of capital projects.

The Debt Service Fund is a major fund of the County which is primarily supported by property taxes. At year end, the total fund balance of the Debt Service fund was $8,526,268- all classified as restricted. This balance represents an increase over 2010 of $1,282,451. This increase is primarily due to the timing of debt service payments, as the fund is used to accumulate tax revenues to build sufficient reserves to cover the required debt service payments of the County.

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 $1,500,955 of which $870,092, or 58% was unrestricted, and net assets for Internal Services, comprised of fleet services and employee benefits, amounted to $2,678,816.

General Fund Budgetary Highlights

The original expenditure budget of $54,689,170 was decreased $894,069, for a final amended budget of $53,795,101. The main reason for this decrease was the categorization of the tax anticipation note (TAN). We had originally budgeted the proceeds as revenue and the repayment as an expenditure. However, accounting rules require only the interest expenditures to be budgeted as an expenditure. We amended the budget to comply with this accounting requirement.

By year-end the actual General Fund expenditures were $1,640,189 under the final budget. Readers can find variances for each department in the Budget and Actual Schedules, however the primary drivers of this positive variance stem from the Sheriff Office, Tax Commissioner, and Clerk of Court. These organizations exercised tight management of overtime, unfilled vacant positions, travel/training and repairs/maintenance.

The original budget for General Fund transfers (transfers out to other funds) was $2,659,231, but was amended to $4,171,942. The actual spending was $3,525,691. The primary reason the budget was amended was so the General Fund could transfer $1,217,843 to the RRDA Fund to cover debt service payments. In 2011 the County was informed the external lessee operating the facility could not make its debt service payments. Because the County had pledged up to 1 mill to cover this debt if the operator failed to make payments, the County has temporarily assumed the obligation for these payments. The County is currently considering whether the current operator can reassume responsibility, or if another operator will be brought in to assume operations. In the interim, the County will honor this obligation and cover the debt service payments.

Capital Asset and Debt Administration

Capital Assets

As of December 31, 2011, Cherokee County's investment in capital assets for its governmental activities totaled $1,050,048,300 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges.

Due to budget constraints, major capital asset additions were limited to SPLOST and Parks Bond funding and included the following:

- Purchase of new sheriff and CMANS vehicles
- Renovation of juvenile court areas in county courthouse
- Purchase of video conferencing system for the jail and courthouse
- Completion of fire station #6
- Mandated upgrades to the E911 communication system
- Various road improvements

- Parks bond construction including the Badger Creek soccer complex, the aquatic center, Hobgood Park, Sequoyah Park, and other smaller park renovations

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

Long-term debt

At the end of the current fiscal year, Cherokee County had total long term bonded debt outstanding of $74,612,000. Of this debt, $17,545,000 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 .641 mills.

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 $776,001,464 which is ten times greater than Cherokee County's outstanding debt of $74,612,000.

Cherokee County's long term bonded debt decreased $10,340,000 during the current fiscal year. The County holds a rating of "Aa2" from Moody's Rating Agency and a "AA+" from Standard & Poor's Rating agency.

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

Status of Cherokee County's Economy

- As of the date of this letter, the unemployment rate for Cherokee County is 7.9%, which is lower than the state rate of 8.9%. This is a significant improvement to 2010 rates: Cherokee County 8.9% and the state 10.2%.

- The total number of building permits remained constant in 2011 and 2010. However, for Q1 2012 we experienced a significant increase; it was our highest Q1 since 2008. In addition, as explained in the transmittal letter, there are several major developments planned for Cherokee County which will positively impact the county's economy.

- Sales tax revenues increased 2.8% over 2010 from $28,055,397 to $29,014,211. This is still much lower than our peak in 2007 of $31,749,138. However, as of the date of this letter, 2012 YTD receipts are equal to 2007 YTD receipts.

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, 2011

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority	Library
ASSETS						
Cash and cash equivalents	$ 67,968,950	$ 323,127	$ 68,292,077	$ 728,267	$ 1,786,806	$ 1,065,415
Investments	155,063	-	155,063	-	-	-
Property taxes receivable	4,349,911	-	4,349,911	-	-	-
Accounts receivable	2,475,484	938,549	3,414,033	94,034	28,320	53,526
Due from other governments	3,336,204	-	3,336,204	1,667,858	-	53,836
Inventory	193,601	-	193,601	-	-	-
Prepaid items	889,472	11,748	901,220	-	-	70,113
Note receivable	16,864,013	-	16,864,013			
Restricted cash and cash equivalents	20,532,759	-	20,532,759	-	-	156,647
Deferred charges - bond issuance costs	989,770	-	989,770	-	113,391	-
Capital assets, non-depreciable	281,575,749	-	281,575,749	-	7,813,998	1,170,567
Capital assets, depreciable (net of accumulated depreciation)	807,042,100	630,863	807,672,963	502,409	1,309,275	8,231,328
Net pension asset	2,315,424	-	2,315,424	-	-	-
Total assets	1,208,688,500	1,904,287	1,210,592,787	2,992,568	11,051,790	10,801,432
LIABILITIES						
Accounts payable	2,511,929	130,881	2,642,810	161,703	-	47,535
Accrued liabilities	3,312,354	94,416	3,406,770	468,530	101,800	13,490
Unearned revenue	737,995	-	737,995	-	-	-
Net OPEB obligation, due in more than one year	929,134	-	929,134	-	-	-
Claims payable due within one year	586,555	-	586,555	-	-	-
Claims payable due in more than one year	195,519	-	195,519	-	-	-
Capital leases due within one year	132,942	-	132,942	-	-	-
Capital leases due in more than one year	275,311	-	275,311	-	-	-
Notes payable due within one year	-	-	-	-	323,854	-
Notes payable due in more than one year	-	-	-	-	6,804,609	-
Bonds payable due within one year	9,180,000	-	9,180,000	-	-	-
Bonds payable due in more than one year	66,378,068	-	66,378,068	-	-	-
Compensated absences due within one year	2,412,718	133,526	2,546,244	-	-	18,284
Compensated absences due in more than one year	804,239	44,509	848,748	434,769	-	73,135
Landfill due within one year	163,950	-	163,950	-	-	-
Landfill due in more than one year	2,378,574	-	2,378,574	-	-	-
Total liabilities	89,999,288	403,332	90,402,620	1,065,002	7,230,263	152,444
NET ASSETS						
Invested in capital assets, net of related debt	1,050,048,300	630,863	1,050,679,163	502,409	1,994,810	9,401,895
Restricted for:						
Law library operations	604,546	-	604,546	-	-	-
Senior services	8,029	-	8,029	-	-	-
Public safety	1,066,488	-	1,066,488	-	-	-
Donations for improvements	16,142	-	16,142	-	-	-
Grant activities	36,849	-	36,849	-	-	-
Jail operation and construction	1,631,370	-	1,631,370	-	-	-
E911 operations	1,423,953	-	1,423,953	-	-	-
Impact fees - library projects	449,882	-	449,882	-	-	-
Impact fees - fire projects	57,176	-	57,176	-	-	-
Impact fees - park projects	621,285	-	621,285	-	-	-
Impact fees - public safety facility projects	1,252,305	-	1,252,305	-	-	-
Impact fees - road projects	977,380	-	977,380	-	-	-
Impact fees - administration projects	429,397	-	429,397	-	-	-
Debt service	8,526,268	-	8,526,268	48,864	-	13,012
Cultural and recreation construction	21,593,785	-	21,593,785	-	-	-
SPLOST projects	7,915,351	-	7,915,351	-	-	255,947
Fire protection services	12,085,812	-	12,085,812	-	-	-
Unrestricted	9,944,894	870,092	10,814,986	1,376,293	1,826,717	978,134
Total net assets	$ 1,118,689,212	$ 1,500,955	$ 1,120,190,167	$ 1,927,566	$ 3,821,527	$ 10,648,988

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

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	$ 11,709,843	$ 4,539,020	$ 1,090,920	$ -
Judicial	12,131,482	6,815,386	536,967	-
Public safety	53,392,268	6,407,070	242,826	6,240
Public works	48,284,482	1,779,098	1,250,413	11,414,758
Health and welfare	4,954,955	373,474	1,834,499	96,535
Culture and recreation	4,287,850	1,327,358	50,000	-
Housing and development	3,656,342	902,726	-	-
Interest on long-term debt	3,411,397	-	-	-
Total governmental activities	141,828,619	22,144,132	5,005,625	11,517,533
Business-type activities:				
EMS	6,678,161	6,383,784	-	-
Conference center	326,115	13,638	21,000	-
Total business-type activities	7,004,276	6,397,422	21,000	-
Total primary government	$ 148,832,895	$ 28,541,554	$ 5,026,625	$ 11,517,533
Component units:				
Department of Public Health	$ 13,607,697	$ 1,852,804	$ 9,593,405	$ -
Development Authority	839,700	-	722,177	-
Library	4,458,316	299,371	938,982	1,272,638
Total component units	$ 18,905,713	$ 2,152,175	$ 11,254,564	$ 1,272,638
General revenues:				
Property taxes				
Alcoholic beverage taxes				
Franchise taxes				
Sales taxes				
Insurance premium taxes				
Other taxes				
Miscellaneous revenues				
Unrestricted investment earnings				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets, beginning of year				
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
$ (6,079,903)	$ -	$ (6,079,903)	$ -	$ -	$ -
(4,779,129)	-	(4,779,129)	-	-	-
(46,736,132)	-	(46,736,132)	-	-	-
(33,840,213)	-	(33,840,213)	-	-	-
(2,650,447)	-	(2,650,447)	-	-	-
(2,910,492)	-	(2,910,492)	-	-	-
(2,753,616)	-	(2,753,616)	-	-	-
(3,411,397)	-	(3,411,397)	-	-	-
(103,161,329)	-	(103,161,329)	-	-	-
-	(294,377)	(294,377)	-	-	-
-	(291,477)	(291,477)	-	-	-
-	(585,854)	(585,854)	-	-	-
(103,161,329)	(585,854)	(103,747,183)	-	-	-
-	-	-	(2,161,488)	-	-
-	-	-	-	(117,523)	-
-	-	-	-	-	(1,947,325)
-	-	-	(2,161,488)	(117,523)	(1,947,325)
61,718,917	-	61,718,917	-	-	-
870,637	-	870,637	-	-	-
1,587,195	-	1,587,195	-	-	-
29,288,708	-	29,288,708	-	-	-
6,508,474	-	6,508,474	-	-	-
116,728	-	116,728	-	-	-
2,537,155	260,821	2,797,976	1,941,291	48,376	2,823,132
42,501	-	42,501	-	2,208	1,644
(974,732)	974,732	-	-	-	-
101,695,583	1,235,553	102,931,136	1,941,291	50,584	2,824,776
(1,465,746)	649,699	(816,047)	(220,197)	(66,939)	877,451
1,120,154,958	851,256	1,121,006,214	2,147,763	3,888,466	9,771,537
$ 1,118,689,212	$ 1,500,955	$ 1,120,190,167	$ 1,927,566	$ 3,821,527	$ 10,648,988

CHEROKEE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

ASSETS	General Fund	Fire District Fund	SPLOST V Fund	Recreation Bond Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 29,269,087	$ 11,923,653	$ 5,907,470	$ 1,431,917	$ 8,379,823	$ 8,149,437	$ 65,061,387
Investments	-	-	-	-	-	155,063	155,063
Property taxes receivable, net	2,773,464	1,234,508	-	-	341,939	-	4,349,911
Accounts receivable, net	1,379,084	346	-	-	-	911,601	2,291,031
Due from other governments	1,630	-	3,043,671	-	-	290,903	3,336,204
Due from other funds	356,358	-	-	-	-	-	356,358
Inventory	5,380	-	-	-	-	-	5,380
Prepaid assets	199,244	23,905	3,947	430	-	653,738	881,264
Restricted cash and cash equivalents	-	-	-	20,532,759	-	-	20,532,759
Total assets	$ 33,984,247	$ 13,182,412	$ 8,955,088	$ 21,965,106	$ 8,721,762	$ 10,160,742	$ 96,969,357
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 752,829	$ 147,719	$ 882,281	$ 194,726	$ -	$ 357,179	$ 2,334,734
Accrued liabilities	770,293	256,115	153,509	176,165	-	239,828	1,595,910
Due to other funds	-	-	-	-	-	258,240	258,240
Deferred revenue	2,269,680	668,861	-	-	195,494	933	3,134,968
Total liabilities	3,792,802	1,072,695	1,035,790	370,891	195,494	856,180	7,323,852
FUND BALANCES							
Fund balances:							
Nonspendable:							
Prepaids	199,244	23,905	3,947	430	-	653,738	881,264
Inventory	5,380	-	-	-	-	-	5,380
Restricted:							
Law library operations	-	-	-	-	-	604,546	604,546
Senioir services	-	-	-	-	-	8,029	8,029
Public safety	-	-	-	-	-	1,066,488	1,066,488
Donations for improvements	-	-	-	-	-	16,142	16,142
Grant activities	-	-	-	-	-	36,849	36,849
Jail operation and construction	-	-	-	-	-	1,631,370	1,631,370
E911 operations	-	-	-	-	-	1,423,953	1,423,953
Impact fees - library projects	-	-	-	-	-	449,882	449,882
Impact fees - fire projects	-	-	-	-	-	57,176	57,176
Impact fees - park projects	-	-	-	-	-	621,285	621,285
Impact fees - public safety facility projects	-	-	-	-	-	1,252,305	1,252,305
Impact fees - road projects	-	-	-	-	-	977,380	977,380
Impact fees - administration projects	-	-	-	-	-	429,397	429,397
Debt service	-	-	-	-	8,526,268	-	8,526,268
Cultural and recreation construction	-	-	-	21,593,785	-	-	21,593,785
SPLOST projects	-	-	7,915,351	-	-	-	7,915,351
Fire protection services	-	12,085,812	-	-	-	-	12,085,812
Committed:							
Jail and inmate services	-	-	-	-	-	45,979	45,979
Animal control	-	-	-	-	-	16,934	16,934
Park and recreation activities	-	-	-	-	-	216,343	216,343
Assigned for use in 2012 budget	25,419,651	-	-	-	-	-	25,419,651
Unassigned	4,567,170	-		-	-	(203,234)	4,363,936
Total fund balances	30,191,445	12,109,717	7,919,298	21,594,215	8,526,268	9,304,562	89,645,505
Total liabilities and fund balances	$ 33,984,247	$ 13,182,412	$ 8,955,088	$ 21,965,106	$ 8,721,762	$ 10,160,742	

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	1,088,216,295
Other long-term assets are not available to pay for current period expenditures, and, therefore, are deferred in the funds.	2,396,973
Notes receivable of governmental activities are not current financial resources and, therefore, are not reported in the governmental funds	16,864,013
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(82,498,680)
Net pension asset is not recorded on the fund financial statements	2,315,424
Net OPEB liability does not consume current financial resources and, therefore, is not reported in governmental funds.	(929,134)
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.	2,678,816
Net assets of governmental activities	$ 1,118,689,212

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, 2011

	General Fund	Fire District Fund	SPLOST V Fund	Recreation Bond Fund	Det Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	$ 40,679,437	$ 16,982,754	$ -	$ -	$ 4,783,604	$ -	$ 62,445,795
Alcoholic beverage taxes	-	-	-	-	-	870,637	870,637
Franchise taxes	1,587,195	-	-	-	-	-	1,587,195
Insurance premium taxes	-	-	-	-	-	6,508,474	6,508,474
Sales taxes	-	-	29,288,708	-	-	-	29,288,708
Other taxes	-	-	-	-	-	116,728	116,728
Licenses and permits	684,817	23,591	-	-	-	460,294	1,168,702
Intergovernmental	82,611	-	1,509,633	-	-	3,779,113	5,371,357
Fines and forfeitures	5,009,415	-	-	-	-	1,598,518	6,607,933
Charges for services	6,646,721	1,083,760	27,729	-	-	6,526,267	14,284,477
Investment income	13,112	2,525	8,107	13,700	-	13,628	51,072
Contributions and donations	-	-	-	-	-	65,471	65,471
Other	679,616	35,011	1,450,164	50,000	240,971	702,932	3,158,694
Total revenues	55,382,924	18,127,641	32,284,341	63,700	5,024,575	20,642,062	131,525,243
EXPENDITURES							
Current:							
General government	8,932,303	-	-	-	-	212,730	9,145,033
Judicial	11,892,098	-	-	-	-	298,589	12,190,687
Public safety	27,532,647	18,439,967	143,556	-	-	7,012,674	53,128,844
Public works	334,846	-	4,877,358	-	-	3,769,649	8,981,853
Health and welfare	593,428	-	-	-	-	4,217,277	4,810,705
Culture and recreation	1,895,109	-	100,000	227,801	-	2,609,476	4,832,386
Housing and development	760,255	-	497,651	-	-	2,348,045	3,605,951
Capital outlay	-	-	2,738,628	5,077,451	-	-	7,816,079
Intergovernmental	-	-	6,159,277	-	-	-	6,159,277
Debt service:							
Principal	126,097	-	-	-	10,030,000	310,000	10,466,097
Interest	88,129	-	-	-	2,757,492	909,323	3,754,944
Total expenditures	52,154,912	18,439,967	14,516,470	5,305,252	12,787,492	21,687,763	124,891,856
Excess (deficiency) of revenues over (under) expenditures	3,228,012	(312,326)	17,767,871	(5,241,552)	(7,762,917)	(1,045,701)	6,633,387
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	49,407	2,500	-	-	-	-	51,907
Transfers in	3,795,545	-	2,195	-	9,045,368	3,173,249	16,016,357
Transfers out	(3,525,691)	-	(9,852,766)	(1,297,294)	-	(2,315,338)	(16,991,089)
Total other financing sources (uses)	319,261	2,500	(9,850,571)	(1,297,294)	9,045,368	857,911	(922,825)
Net change in fund balances	3,547,273	(309,826)	7,917,300	(6,538,846)	1,282,451	(187,790)	5,710,562
FUND BALANCES, beginning of year, restated	26,644,172	12,419,543	1,998	28,133,061	7,243,817	9,492,352	83,934,943
FUND BALANCES, end of year	$ 30,191,445	$ 12,109,717	$ 7,919,298	$ 21,594,215	$ 8,526,268	$ 9,304,562	$ 89,645,505

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, 2011

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	5,710,562
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.		(27,037,551)
The net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins) is to increase net assets.		8,315,552
The current year decrease to the net pension asset increases net expenses of pensionable functions on the government wide statements.		(2,061,280)
The current year increase to the net OPEB liability decreases net expenses of the functions on the government wide statements.		183,457
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(811,167)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. These transactions have no effect on net assets. This amount is the effect of these differences in the treatment of long-term debt and related items.		10,466,097
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.		1,546,804
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.		2,221,780
Change in net assets - governmental activities	$	(1,465,746)

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, 2011

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 39,259,817	$ 39,259,817	$ 40,679,437	$ 1,419,620
Franchise taxes	1,500,000	1,500,000	1,587,195	87,195
Licenses and permits	995,000	995,000	684,817	(310,183)
Intergovernmental	42,000	42,000	82,611	40,611
Fines and forfeitures	4,445,000	4,930,949	5,009,415	78,466
Charges for services	6,712,000	6,912,078	6,646,721	(265,357)
Interest	25,000	25,000	13,112	(11,888)
Other	651,173	672,646	679,616	6,970
Total revenues	53,629,990	54,337,490	55,382,924	1,045,434
EXPENDITURES				
Current:				
General government:				
County commission	253,291	253,291	254,115	(824)
County manager	298,576	298,576	296,263	2,313
County clerk	84,266	133,071	134,254	(1,183)
Elections	473,602	508,252	441,627	66,625
Finance	763,084	763,084	755,334	7,750
County attorney	425,000	478,346	478,346	-
Data processing	1,612,632	1,612,632	1,544,287	68,345
Mapping	324,485	324,485	324,222	263
Human resources	284,860	284,860	256,795	28,065
Tax commissioner	1,715,307	1,676,284	1,498,616	177,668
Tax assessor	1,588,561	1,595,396	1,595,396	-
Buildings and grounds	1,065,231	1,065,231	1,064,279	952
General administration	238,202	302,641	288,769	13,872
Total general government	9,127,097	9,296,149	8,932,303	363,846
Judicial:				
Court administration	737,085	740,610	702,502	38,108
Superior court	716,067	716,067	694,486	21,581
Superior court -pretrial services	145,031	145,031	99,569	45,462
Clerk of superior court	3,102,544	3,274,246	3,109,140	165,106
Board of equalization	25,148	25,148	14,138	11,010
District attorney	1,740,951	1,760,951	1,759,367	1,584
State court	700,720	711,261	693,631	17,630

(Continued)

Fire District Fund			
Budget			Variance With
Original	Final	Actual	Final Budget
$ 17,197,449	$ 17,197,449	$ 16,982,754	$ (214,695)
-	-	-	-
30,000	30,000	23,591	(6,409)
-	-	-	-
-	-	-	-
975,000	975,000	1,083,760	108,760
20,000	20,000	2,525	(17,475)
-	28,997	35,011	6,014
18,222,449	18,251,446	18,127,641	(123,805)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

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, 2011

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (Continued)				
Current (continued):				
Judicial (continued):				
State court solicitor	$ 1,358,591	$ 1,364,891	$ 1,344,277	$ 20,614
Magistrate court	328,203	328,203	313,892	14,311
Probate court	598,272	598,272	591,757	6,515
Indigent defense	1,818,776	1,818,776	1,731,022	87,754
Juvenile court	812,509	847,279	838,317	8,962
Total judicial	12,083,897	12,330,735	11,892,098	438,637
Public safety:				
Sheriff	27,872,187	27,872,186	27,094,635	777,551
Fire	-	-	-	-
Adult probation	10,000	10,000	7,500	2,500
Coroner	104,253	116,253	116,250	3
Animal control	304,157	314,357	314,262	95
Total public safety	28,290,597	28,312,796	27,532,647	780,149
Public works:				
Recycling	158,049	158,049	156,004	2,045
Postclosure care	150,000	178,843	178,842	1
Total public works	308,049	336,892	334,846	2,046
Health and welfare:				
Public health administration	271,210	265,210	261,880	3,330
Aid to dependent children	97,000	97,000	89,389	7,611
Aid to the disabled	12,000	12,000	12,000	-
Community service agent	106,028	106,028	105,348	680
Children and youth services	37,573	43,573	43,751	(178)
County extension	86,360	86,360	81,060	5,300
Total health and welfare	610,171	610,171	593,428	16,743

(Continued)

Fire District Fund			
Budget			Variance With
Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
18,281,853	18,440,049	18,439,967	82
-	-	-	-
-	-	-	-
-	-	-	-
18,281,853	18,440,049	18,439,967	82
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

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, 2011

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (Continued)				
Current: (Continued)				
Housing and development:				
Economic development	$ 2,160,422	$ 799,421	$ 760,255	$ 39,166
Total housing and development	2,160,422	799,421	760,255	39,166
Culture and recreation:				
Community arts centers	72,651	72,651	73,049	(398)
Library	1,822,060	1,822,060	1,822,060	-
Total culture and recreation	1,894,711	1,894,711	1,895,109	(398)
Debt service:				
Principal	126,097	126,097	126,097	-
Interest	88,129	88,129	88,129	-
Total debt service	214,226	214,226	214,226	-
Total expenditures	54,689,170	53,795,101	52,154,912	1,640,189
Excess (deficiency) of revenues over expenditures	(1,059,180)	542,389	3,228,012	2,685,623
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	1,500,000	1,548,840	49,407	(1,499,433)
Proceeds from capital lease	1,361,000	-	-	-
Transfers in	30,000	2,323,649	3,795,545	1,471,896
Transfers out	(2,659,231)	(4,171,942)	(3,525,691)	646,251
Total other financing sources (uses)	231,769	(299,453)	319,261	618,714
Net change in fund balances	(827,411)	242,936	3,547,273	3,304,337
FUND BALANCES, beginning of year, restated	26,644,172	26,644,172	26,644,172	-
FUND BALANCES, end of year	$ 25,816,761	$ 26,887,108	$ 30,191,445	$ 3,304,337

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

Fire District Fund			
Budget			Variance With
Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
18,281,853	18,440,049	18,439,967	82
(59,404)	(188,603)	(312,326)	(123,723)
-	2,500	2,500	-
-		-	-
-	-	-	-
-	2,500	2,500	-
(59,404)	(186,103)	(309,826)	(123,723)
12,419,543	12,419,543	12,419,543	-
$ 12,360,139	$ 12,233,440	$ 12,109,717	$ (123,723)

CHEROKEE COUNTY, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

ASSETS	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
CURRENT ASSETS				
Cash	$ 132,429	$ 190,698	$ 323,127	$ 2,907,563
Receivables, net of allowance	934,682	3,867	938,549	184,453
Prepaids	5,748	6,000	11,748	8,208
Inventories	-	-	-	188,221
Total current assets	1,072,859	200,565	1,273,424	3,288,445
NONCURRENT ASSETS				
Capital assets, net of depreciation	630,863	-	630,863	401,554
Total assets	1,703,722	200,565	1,904,287	3,689,999
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	114,380	16,501	130,881	177,195
Accrued liabilities	69,441	24,975	94,416	706,677
Due to other funds	-	-	-	98,118
Compensated absences, due within one year	133,526	-	133,526	21,895
Total current liabilities	317,347	41,476	358,823	1,003,885
NONCURRENT LIABILITIES				
Compensated absences, due in more than one year	44,509	-	44,509	7,298
Total liabilities	361,856	41,476	403,332	1,011,183
NET ASSETS				
Invested in capital assets	630,863	-	630,863	401,554
Unrestricted	711,003	159,089	870,092	2,277,262
Total net assets	$ 1,341,866	$ 159,089	$ 1,500,955	$ 2,678,816

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, 2011

	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
OPERATING REVENUES				
Charges for services	$ 6,383,784	$ 13,638	$ 6,397,422	$ 12,415,429
Miscellaneous revenue	5,151	255,670	260,821	801,590
Total operating revenues	6,388,935	269,308	6,658,243	13,217,019
OPERATING EXPENSES				
Personal services	2,900,304	-	2,900,304	1,014,500
Contractual services	589,949	254,329	844,278	925,895
Claims paid	-	-	-	8,301,932
Supplies	479,551	71,786	551,337	703,025
Bad debts	2,635,781	-	2,635,781	-
Depreciation	72,576	-	72,576	49,887
Total operating expenses	6,678,161	326,115	7,004,276	10,995,239
Operating income (loss)	(289,226)	(56,807)	(346,033)	2,221,780
NON-OPERATING REVENUES				
Contributions	-	21,000	21,000	-
Total non-operating revenues	-	21,000	21,000	-
Change in net assets before transfers	(289,226)	(35,807)	(325,033)	2,221,780
TRANSFERS IN	888,004	86,728	974,732	-
Change in net assets	598,778	50,921	649,699	2,221,780
NET ASSETS, beginning of year	743,088	108,168	851,256	457,036
NET ASSETS, end of year	$ 1,341,866	$ 159,089	$ 1,500,955	$ 2,678,816

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, 2011

	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 6,137,096	$ 265,891	$ 6,402,987	$ -
Receipts from other funds	-	-	-	12,416,010
Payments to employees	(3,053,195)	-	(3,053,195)	(1,013,823)
Payments to suppliers for services provided	(3,839,476)	(304,493)	(4,143,969)	(9,431,460)
Net cash provided by (used in) operating activities	(755,575)	(38,602)	(794,177)	1,970,727
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	888,004	86,728	974,732	-
Donations for operations	-	21,000	21,000	-
Net cash provided by non-capital financing activities	888,004	107,728	995,732	-
Net increase in cash	132,429	69,126	201,555	1,970,727
Cash and cash equivalents, beginning of year	-	121,572	121,572	936,836
Cash and cash equivalents, end of year	$ 132,429	$ 190,698	$ 323,127	$ 2,907,563
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	$ (289,226)	$ (56,807)	$ (346,033)	$ 2,221,780
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	72,576	-	72,576	49,887
Increase in accounts receivable	(251,839)	(3,417)	(255,256)	(930)
Decrease in inventories	-	-	-	3,705
Increase in prepaid items	(5,748)	(6,000)	(11,748)	(8,208)
Increase (decrease) in accounts payable	44,845	11,322	56,167	(61,716)
Increase (decrease) in accrued liabilities	(173,046)	16,300	(156,746)	(61,987)
Decrease in due to other funds	(173,292)	-	(173,292)	(172,244)
Increase in compensated absence	20,155	-	20,155	440
Net cash provided by (used in) operating activities	$ (755,575)	$ (38,602)	$ (794,177)	$ 1,970,727

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2011

		Agency Funds
ASSETS		
Cash	$	80,374,342
Taxes receivable		10,738,852
Total assets	$	91,113,194
LIABILITIES		
Due to others	$	80,374,342
Taxes payable to others upon collection		10,738,852
	$	91,113,194

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, 2011 (the Library operates on a June 30 year end), the Library received $1,822,060 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 $211,100 to the ARC for the year ended December 31, 2011. 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 restricted property tax levy for 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 by voters in 2004 for an authorized period of six years, between July 2006 – June 2012, and for a total amount of up to $200 million. The proceeds of this special tax are designated for 1) new administration building, courthouse renovations, and related parking facilities, 2) transportation facilities and equipment, 3) park & recreation facilities, 4) library facilities and books, 5) public safety facilities and equipment, 6) new emergency children's shelter, 7) new driver's license facility, 8) new conference center, 9) renovations to the old Woodstock Elementary School for the benefit of the Appalachian Technical College, and 10) Senior Center expansion.

The ***Recreation Bond Fund*** is used to account for proceeds of the 2009 and 2010 recreation bonds and the recreation projects funded by the bonds.

The ***Debt Service Fund*** is used to account the accumulation of resources for repayment of the General Obligation 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 to account for the County's contributions and employee premiums for health, disability, and life insurance, and the related payments for these associated costs.

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 State Treasurer. 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 nonspendable fund balance category, 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, 2011, are recorded as prepaid items. Prepaid items reported in the governmental funds are also equally offset by a nonspendable fund balance category, 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

The County implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as of January 1, 2011. This new standard changed the overall definitions and classifications of governmental fund balances.

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

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

Fund balances are classified as follows:

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

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

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

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Assignments are made by the Board of Commissioners.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

J. Fund Equity (Continued)

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

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

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

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. At least one public hearing is conducted to obtain taxpayer comments.

3. The budget is formally approved at the first Board meeting in January, or shortly thereafter as deemed appropriate by the Budget Officer.

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, 2011. 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.

For the year ended December 31, 2011, material excesses (greater than $5,000) of expenditures over appropriations at the department level (the legal level of control), are as follows:

Insurance Premium Fund	156,008
Confiscated Assets Fund	51,148

The overage related to the Insurance Premium Fund related to project costs which were originally budgeted in the SPLOST V Fund. The Board approved these costs when the 2011 budget was originally adopted; however, after the project costs were incurred, the costs were deemed to be more representative of Insurance Premium Fund expenditures, and were therefore charged to the Insurance Premium Fund. These costs were funded by greater than anticipated Insurance Premium tax revenues. The excess expenditures in the Confiscated Assets Fund were incurred as a direct result of greater than anticipated revenues for the year.

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

C. Deficit Fund Equity

The Insurance Premium Fund had a deficit balance of $167,683 at December 31, 2011. This deficit will be eliminated through future tax collections and transfers from the General Fund, as needed. The Transportation Fund had a deficit fund balance of $1 at December 31, 2011. This deficit will be eliminated through increased transfers from the General Fund. The CDBG Fund has a deficit fund balance of $22,164 at December 31, 2011. 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. The SPLOST IV Capital Projects Fund had a deficit fund balance of $124 at December 31, 2011. This deficit will be eliminated through 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 $82,498,680 difference are as follows:

Bonds payable	$	(74,612,000)
Less: Underwriters discount		223,729
Add: Original issue premium		(1,169,797)
Bond issuance costs		989,770
Accrued interest payable		(1,009,767)
Capital leases payable		(408,253)
Claims payable		(782,074)
Landfill postclosure costs		(2,542,524)
Compensated absences		(3,187,764)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	(82,498,680)

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

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 $8,315,552 difference are as follows:

Donations	$	9,821,939
Disposals		(1,506,387)
Net adjustment to increase *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	8,315,552

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 $27,037,551 difference are as follows:

Capital outlay	$	13,271,511
Depreciation expense		(40,309,062)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(27,037,551)

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 $1,546,804 difference are as follows:

Compensated absences	$	(61,783)
Insurance claims		887,121
Amortization expense		347,946
Payment on RR Development Authority bonds		(310,000)
Landfill monitoring costs		687,919
Accrued interest payable		(4,399)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	1,546,804

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.

At December 31, 2011, the County had the following investments:

Investment	Maturities	Fair Value	
Georgia Fund 1	60 day weighted average	$	33,787,772
Certificate of deposit	12 months		155,063
Total		$	33,942,835

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2011, the County's cash accounts were secured, insured or collateralized in accordance with State law.

NOTE 5. RECEIVABLES

Receivables at December 31, 2011, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Fire District	Debt Service
Receivables:			
Property taxes	$ 3,018,480	$ 1,336,916	$ 371,327
Accounts	1,464,112	346	-
Gross receivables	4,482,592	1,337,262	371,327
Less allowance for uncollectibles	330,044	102,408	29,388
Net total receivables	$ 4,152,548	$ 1,234,854	$ 341,939

	Non-major Enterprise Funds	Non-major Governmental Funds	Internal Service Funds
Receivables:			
Property taxes	$ -	$ -	$ -
Accounts	13,563,786	911,601	184,453
Gross receivables	13,563,786	911,601	184,453
Less allowance for uncollectibles	12,625,237	-	-
Net total receivables	$ 938,549	$ 911,601	$ 184,453

NOTE 5. RECEIVABLES (CONTINUED)

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, 2011 the lease receivable carried by the County was $16,864,013. It should be noted that in February 2011 the County was notified that Ball Ground Recycling would not be able to make the monthly debt service payments, and as a result the County has been forced to make the required debt service payments which amounted to $1,217,844 as of December 31, 2011. The County is scheduled to make the monthly debt service payments though June 2012, which will total approximately another $600,000. The County is currently negotiating terms whereby Ball Ground Recycling will continue operations and resume servicing the debt or whether the County will take over the facilities. While the County intends to recover the debt service payments and is working to execute a legal agreement, as of the issuance of the reports, a legal agreement has not yet been finalized.

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	$ 267,190,526	$ 2,446,934	$ 280,738	$ (428,819)	$ 269,489,379
Construction in progress	11,488,452	5,567,326	(4,461,547)	(507,861)	12,086,370
Total	278,678,978	8,014,260	(4,180,809)	(936,680)	281,575,749
Capital assets, being depreciated:					
Buildings and improvements	122,083,358	1,381	1,830,072	(573,344)	123,341,467
Infrastructure	972,715,603	14,182,491	2,329,856	-	989,227,950
Vehicles	22,318,305	560,368	-	(1,204,431)	21,674,242
Machinery and equipment	17,002,334	334,950	20,881	(661,732)	16,696,433
Total	1,134,119,600	15,079,190	4,180,809	(2,439,507)	1,150,940,092
Less accumulated depreciation for:					
Buildings	22,723,045	2,230,590	-	(124,228)	24,829,407
Infrastructure	254,845,699	36,416,431	-	-	291,262,130
Vehicles	16,185,611	616,303	-	(1,086,445)	15,715,469
Machinery and equipment	11,654,488	1,095,625	-	(659,127)	12,090,986
Total	305,408,843	40,358,949	-	(1,869,800)	343,897,992
Total capital assets, being depreciated, net	828,710,757	(25,279,759)	4,180,809	(569,707)	807,042,100
Governmental activities capital assets, net	$ 1,107,389,735	$ (17,265,499)	$ -	$ (1,506,387)	$ 1,088,617,849

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 $324,310 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	1,960,271	72,576	-	2,032,847
Total capital assets, net	$ 703,439	$ (72,576)	$ -	$ 630,863

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

Governmental activities:	
General government	$ 1,049,806
Judicial	311,858
Public safety	3,111,106
Public works	34,874,194
Health and welfare	123,258
Culture and recreation	814,429
Housing and development	24,411
Fleet Services Fund	49,887
Total depreciation expense - governmental activities	$ 40,358,949
Business-type activities:	
Emergency medical services	$ 72,576

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	$ 281,575,749	$ -	$ 281,575,749
Capital assets, depreciable, net	807,042,100	630,863	807,672,963
Bonds payable	(58,694,055)	-	(58,694,055)
Capital leases payable	(408,253)	-	(408,253)
Unspent bond proceeds	20,532,759	-	20,532,759
	$ 1,050,048,300	$ 630,863	$ 1,050,679,163

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 7,672,753	$ -	$ -	$ 7,672,753
Construction in progress	62,064	79,181	-	141,245
Total	7,734,817	79,181	-	7,813,998
Capital assets, being depreciated:				
Machinery and equipment	1,870,395	-	-	1,870,395
Less accumulated depreciation for				
Machinery and equipment	467,600	93,520	-	561,120
Total capital assets, being depreciated, net	1,402,795	(93,520)	-	1,309,275
Total capital assets, net	$ 9,137,612	$ (14,339)	$ -	$ 9,123,273

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	209,564	1,362,158	(1,463,155)	-	108,567
Total	1,271,564	1,362,158	(1,463,155)	-	1,170,567
Capital assets, being depreciated:					
Buildings	7,634,112	-	1,263,996	(17,558)	8,880,550
Improvements	400,353	-	-	-	400,353
Vehicles	89,611	-	-	-	89,611
Furniture and equipment	667,361	11,747	199,159	(184,150)	694,117
Books and collections	4,925,927	332,804	-	(477,130)	4,781,601
Total	13,717,364	344,551	1,463,155	(678,838)	14,846,232
Less accumulated depreciation for:					
Buildings	2,689,153	206,214	-	(8,732)	2,886,635
Improvements	92,530	20,018	-	-	112,548
Vehicles	71,383	4,901	-	-	76,284
Furniture and equipment	481,820	46,379	-	(172,741)	355,458
Books and collections	3,173,929	487,180	-	(477,130)	3,183,979
Total	6,508,815	764,692	-	(658,603)	6,614,904
Total capital assets, being depreciated, net	7,208,549	(420,141)	1,463,155	(20,235)	8,231,328
Total capital assets, net	$ 8,480,113	$ 942,017	$ -	$ (20,235)	$ 9,401,895

NOTE 6. CAPITAL ASSETS (Continued)

D. Discretely Presented Component Unit – Department of Public Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Furniture and equipment	$ 1,366,714	$ 116,083	$ -	$ 1,482,797
Improvements	63,836	-	-	63,836
Total	1,430,550	116,083	-	1,546,633
Less accumulated depreciation for:				
Furniture and equipment	842,735	168,078	-	1,010,813
Improvements	27,027	6,384	-	33,411
Total	869,762	174,462	-	1,044,224
Total capital assets, being depreciated, net	560,788	(58,379)	-	502,409
Total capital assets, net	$ 560,788	$ (58,379)	$ -	$ 502,409

NOTE 7. SHORT-TERM BORROWINGS

During the year, the County borrowed $1,361,000 in the form a tax anticipation note for the purpose of acquiring land. The interest rate on the tax anticipation note was 4.62%. As of December 31, 2011, the note was paid in full.

Total interest incurred and expensed on short-term borrowings for the period ended December 31, 2011, was $62,852.

The following is a summary of the tax anticipation note payable for the period ended December 31, 2011:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note	$ -	$ 1,361,000	$ (1,361,000)	$ -

NOTE 8. LONG-TERM DEBT

Primary Government

The following is a summary of long-term debt activity for the year ended December 31, 2011:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One year
Governmental activities					
Bonds payable	$ 84,952,000	$ -	$ (10,340,000)	$ 74,612,000	$ 9,180,000
Less: discounts	(238,138)	-	14,409	(223,729)	-
Add: premiums	1,598,882	-	(429,085)	1,169,797	-
Bonds payable, net	86,312,744	-	(10,754,676)	75,558,068	9,180,000
Capital leases	534,350	-	(126,097)	408,253	132,942
OPEB obligations	1,112,591	195,000	(378,457)	929,134	-
Claims payable	1,669,195	294,018	(1,181,139)	782,074	586,555
Compensated absences	3,154,734	2,550,421	(2,488,198)	3,216,957	2,412,718
Landfill postclosure	3,230,443	-	(687,919)	2,542,524	163,950
Governmental activities Long-term liabilities	$ 96,014,057	$ 3,039,439	$ (15,616,486)	$ 83,437,010	$ 12,476,165

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	$ 157,880	$ 106,443	$ (86,288)	$ 178,035	$ 133,526
Business-type activities Long-term liabilities	$ 157,880	$ 106,443	$ (86,288)	$ 178,035	$ 133,526

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, 2011, 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	$ 3,640,000
Parks and recreation - 2009	2.00 - 5.00%	20 years	2029	45,000,000	39,005,000
Various construction projects - 2008	2.79%	5 years	2012	9,252,000	3,655,000
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	4,340,000
Recovery zone economic development bond - 2010	4.52%	15 years	2025	10,767,000	10,767,000
					74,612,000
	Plus unamortized premium				1,169,797
	Less unamortized discount				(223,729)
					75,558,068
	Less current maturities				9,180,000
					$ 66,378,068

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
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	2,685,000	2,661,041
2017-2021	16,295,000	11,707,843
2022-2026	20,592,000	7,150,150
2027-2031	12,870,000	2,740,213
2032-2036	5,020,000	1,067,250
2037	1,160,000	58,000
Total	$ 74,612,000	$ 37,201,682

Capital Leases. The County has entered into a lease agreement as lessee for financing the acquisition of land. The lease agreement qualifies as a capital lease for accounting purposes (the title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The cost of the asset acquired under capital leases as of December 31, 2011, is $1,173,134 and consists of land only.

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

	Governmental Activities
Fiscal year ending December 31,	
2012	$ 151,374
2013	151,374
2014	138,759
Total minimum lease payments	441,507
Less amount representing interest	33,254
Present value of minimum lease payments	$ 408,253

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

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 $2,542,524 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, 2011. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Discretely Presented Component Unit – Development Authority

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	$ 7,293,139	$ -	$ (164,676)	$ 7,128,463	$ 319,606
Development Authority Long-term liabilities	$ 7,293,139	$ -	$ (164,676)	$ 7,128,463	$ 319,606

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 maturity date of September 1, 2029. The interest rate on the note is 5.35%.

In 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 $819,148 and $816,660 due on December 1, 2015 and on the maturity date of January 1, 2016, respectively. The interest rate on the note is 3.55%.

NOTE 8. LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Unit – Development Authority (Continued)

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

Fiscal year ending December 31,	Principal	Interest
2012	$ 319,606	$ 410,359
2013	261,799	325,882
2014	274,807	312,874
2015	1,095,678	299,546
2016	1,034,771	230,321
2017-2021	1,298,961	943,200
2022-2026	1,695,421	546,741
2027-2029	1,147,420	88,394
Total	$ 7,128,463	$ 3,157,317

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2011, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Internal service funds	$ 98,118
General fund	Nonmajor governmental funds	258,240
	Total	$ 356,358

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

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

Transfer In	Transfer Out	Amount
General Fund	SPLOST V fund	$ 1,828,896
General Fund	Recreation Bond fund	275,796
General Fund	Nonmajor governmental funds	1,690,853
		3,795,545
SPLOST V fund	Nonmajor governmental funds	2,195
Debt Service Fund	Recreation Bond fund	1,021,498
Debt Service Fund	SPLOST V fund	8,023,870
		9,045,368
Nonmajor governmental funds	General fund	2,987,687
Nonmajor governmental funds	Nonmajor governmental funds	185,562
		3,173,249
Nonmajor enterprise funds	General fund	538,004
Nonmajor enterprise funds	Nonmajor governmental funds	436,728
		974,732
	Total	$ 16,991,089

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) to reimburse the General Fund for SPLOST eligible purchases which were intended to be purchased with SPLOST dollars, 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.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description – Primary Government (Continued)

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.

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

Retirees and beneficiaries receiving benefits	203
Terminated plan participants entitled to future benefits	443
Active employees participating in the Plan	1,151
Total number of Plan participants	1,797

The County's payroll for employees covered by the Plan as of January 1, 2011 (the most recent actuarial valuation date) was $49,601,173 (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 6.60% 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. However, because the County had prior contributions in excess of the requirements, the Plan allowed the County offset required 2011 cash contributions with the reserves or excess accumulation in the Plan. The Plan does not require plan participants to contribute to the plan, however, the County requires participants to contribute 6.0% of their gross salary.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Annual Pension Cost

The County's annual pension cost and net pension obligation for the pension plan for the year beginning January 1, 2011, (the most recent actuarial valuation date) are as follows:

Derivation of Annual Pension Cost		
Annual Required Contribution	$	3,255,813
Interest on Net Pension Obligation		(354,640)
Amortization of Net Pension Obligation		379,458
Annual Pension Cost	$	3,280,631

Annual Pension Cost (Continued)

Derivation of Net Pension Obligation (Asset)		
Net Pension (Asset) Obligation as of Prior Year	$	(4,376,704)
Annual Pension Cost		3,280,631
Actual Contributions to Plan		(1,219,351)
Decrease in Net Pension Asset		2,061,280
Net Pension (Asset) Obligation as of End of Year	$	(2,315,424)

Basis of Valuation	
Current Valuation Date	January 1, 2011
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 or minimum contribution as determined by the Plan's actuary. In previous years the County was making contributions at the recommend rate which was greater than the minimum rate, the County had built a reserve in the Plan This reserve allowed the County to offset the required 2011 contribution with these accumulated excesses. The chart below shows the annual pension cost for the current year and prior two years along with the percentage actually contributed by the County.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Annual Pension Cost (Continued)

Trend Information for The Plan

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension (Asset) Obligation
1/1/11	$ 3,280,631	1,219,351	37 %	$ (2,315,424)
1/1/10	3,376,732	3,101,011	92	(4,376,704)
1/1/09	2,972,060	3,562,695	120	(4,652,425)

As of the most recent valuation date, January 1, 2011, 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
12/31/10	$ 43,416,683	$ 64,291,490	$ 20,874,807	67.5 %	$ 51,996,193	40.1 %

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, 2011.

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, 2011, there were 12 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, 2011, the County's contribution to the Plan was $30,694. 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 County offers post employment benefits to eligible employees enrolled in the County's medical plans. The Plan is administered by Blue Cross-Blue Shield and amendments or changes to the plan are made by the County's Board of Commissioners. There are no separately issued financial statements related to the County's Plan.

The Plan provides subsidies for eligible employees, whereby the County contributes a portion of the retiree's premium. Participant counts as of January 1, 2011, (the most recent valuation date) are shown below.

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 $295 per month towards the actuarially calculated monthly rates. The County contributes the remainder of the rates.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

A. Plan Description (Continued)

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 their spouses.

Fund Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of January 1, 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
1/1/11	$ 195,000	69,866	35.8 %	$ 929,134
1/1/10	443,000	134,233	30.3	1,112,591
1/1/09	443,000	82,176	18.5	803,824

Note: The County and it's actuaries made a change to the participation assumption which lowered the unfunded actuarial accured liability, the annual required contribution, as well as the overall obligation of the County. The participation assumption was changed from 30% to 10% to more closely reflect actual participation experience. In 2008, when new accounting regulations required the reporting of OPEB obligations, the 30% assumption was used as an estimate - presumably based on industry averages. However, since the plan is relatively costly to retirees, the plan has experienced much lower participation.

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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.

D. Annual OPEB Cost

The County's annual OPEB cost and net OPEB obligation for the OPEB plan for the year beginning January 1, 2011, (the most recent actuarial valuation date) are as follows:

Derivation of Annual OPEB Cost	
Annual Required Contribution	$ 190,000
Interest on Net OPEB Obligation	36,000
Adjustments to ARC	(31,000)
Annual OPEB Cost	$ 195,000

Derivation of Net OPEB Obligation (Asset)	
Net OPEB (Asset) Obligation as of Prior Year	$ 1,112,591
Adjustment from change in assumption	(308,591)
Annual OPEB Cost	195,000
Actual Contributions to Plan	(69,866)
Decrease in Net OPEB Asset	(183,457)
Net OPEB (Asset) Obligation as of End of Year	$ 929,134

NOTE 12. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

D. Annual OPEB Cost (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 January 1, 2011. The assumptions used in the January 1, 2011 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 $250,000 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 fund where the injured employee is compensated. 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 seventy-five percent (75%) of the liability would be paid within one year and is reflected in the statement of net assets as such.

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
2011	$ 1,669,195	294,018	1,181,139	$ 782,074
2010	616,287	2,431,785	1,378,877	1,669,195
2009	856,760	475,360	715,833	616,287

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at December 31, 2011, the County has contractual commitments on uncompleted contracts of approximately $15,422,024.

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, 2011, the County spent $116,728 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. RESTATEMENT OF PRIOR YEAR BALANCES

The County has determined that a restatement of beginning fund balances of General Fund, Fire Fund and Debt Service Fund is required to correct the reporting of beginning cash balances. As each of these funds participate in the County's pooled cash account, it was determined the assets were incorrectly allocated between the three funds, as it relates to prior year property tax collections. As the restatement involves asset allocation, there is no affect on the Statement of Net Assets. This restatement resulted in changes to beginning fund balances of the General Fund, Fire Fund and Debt Service Fund as follows:

	General Fund	Fire Fund	Debt Service Fund
Fund balance, as previously reported	$ 25,181,708	$ 13,857,840	$ 7,267,984
Increase/(decrease) in beginning cash balance	1,462,464	(1,438,297)	(24,167)
Fund balance, as restated	$ 26,644,172	$ 12,419,543	$ 7,243,817

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)
12/31/2010	$ 43,416,683	$ 64,291,490	$ 20,874,807	67.5%	$ 51,996,193	40.1%
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%

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 FUNDS

Debt Service Fund

Debt Service

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

Capital Projects Funds

SPLOST V

To account for proceeds of a special 1% local sales tax levy approved by voters in 2004 for an authorized period of six years, between July 2006 – June 2012, and for a total amount of up to $200 million. The proceeds of this special tax are designated for 1) new administration building, courthouse renovations, and related parking facilities, 2) transportation facilities and equipment, 3) park & recreation facilities, 4) library facilities and books, 5) public safety facilities and equipment, 6) new emergency children's shelter, 7) new driver's license facility, 8) new conference center, 9) renovations to the old Woodstock Elementary School for the benefit of the Appalachian Technical College, and 10) Senior Center expansion.

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, 2011

	SPLOST V			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Sales tax	$ 28,223,378	$ 28,223,378	$ 29,288,708	$ 1,065,330
Intergovernmental	1,093,000	1,093,000	1,509,633	416,633
Charges for services	-	-	27,729	27,729
Investment income	5,000	5,000	8,107	3,107
Other revenues	47,074	1,249,235	1,450,164	200,929
Total revenues	29,368,452	30,570,613	32,284,341	1,713,728
EXPENDITURES				
Current				
Public safety	-	-	143,556	(143,556)
Public works	2,186,614	2,186,614	4,877,358	(2,690,744)
Culture and recreation	-	-	100,000	(100,000)
Housing and development	1,009,075	1,009,075	497,651	511,424
Capital outlay	11,461,543	10,620,646	2,738,628	7,882,018
Intergovernmental	6,341,350	6,341,350	6,159,277	182,073
Total expenditures	20,998,582	20,157,685	14,516,470	5,641,215
Excess of revenues over expenditures	8,369,870	10,412,928	17,767,871	7,354,943
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	2,195	2,195
Transfers out	(8,322,796)	(10,149,796)	(9,852,766)	297,030
Total other financing sources (uses)	(8,322,796)	(10,149,796)	(9,850,571)	299,225
Net change in fund balances	47,074	263,132	7,917,300	7,654,168
FUND BALANCES, beginning of year	1,998	1,998	1,998	-
FUND BALANCES (DEFICIT), end of year	$ 49,072	$ 265,130	$ 7,919,298	$ 7,654,168

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, 2011

	Recreation Bonds			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Investment income	$ 7,500	$ 7,500	$ 13,700	$ 6,200
Miscellaneous	-	-	50,000	50,000
Total revenues	7,500	7,500	63,700	56,200
EXPENDITURES				
Current:				
Culture and recreation	247,232	247,232	227,801	19,431
Capital outlay	17,000,000	17,000,000	5,077,451	11,922,549
Total expenditures	17,247,232	17,247,232	5,305,252	11,941,980
Excess (deficiency) of revenues over expenditures	(17,239,732)	(17,239,732)	(5,241,552)	11,998,180
OTHER FINANCING USES				
Transfers out	-	(1,021,498)	(1,297,294)	(275,796)
Total other financing uses	-	(1,021,498)	(1,297,294)	(275,796)
Net change in fund balances	(17,239,732)	(18,261,230)	(6,538,846)	11,722,384
FUND BALANCES, beginning of year	28,133,061	28,133,061	28,133,061	-
FUND BALANCES, end of year	$ 10,893,329	$ 9,871,831	$ 21,594,215	$ 11,722,384

CHEROKEE COUNTY, GEORGIA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Debt Service			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 4,911,948	$ 4,911,948	$ 4,783,604	$ (128,344)
Other	-	-	240,971	240,971
Total revenues	4,911,948	4,911,948	5,024,575	112,627
EXPENDITURES				
Debt service:				
Principal	10,030,000	10,030,000	10,030,000	-
Interest and fiscal charges	2,460,285	2,516,585	2,757,492	(240,907)
Total expenditures	12,490,285	12,546,585	12,787,492	(240,907)
Deficiency of revenues over expenditures	(7,578,337)	(7,634,637)	(7,762,917)	(128,280)
OTHER FINANCING SOURCES				
Transfers in	7,516,346	8,537,844	9,045,368	507,524
Total other financing sources	7,516,346	8,537,844	9,045,368	507,524
Net change in fund balances	(61,991)	903,207	1,282,451	379,244
FUND BALANCES, beginning of year, restated	7,243,817	7,243,817	7,243,817	-
FUND BALANCES, end of year	$ 7,181,826	$ 8,147,024	$ 8,526,268	$ 379,244

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Sheriff's Commissary	To account for the proceeds of jail inmate commissary sales. These revenues have been committed by the Sheriff to be used on the County Jail and the inmates.
Law Library	To provide for the operation and maintenance of the County's law library. The revenues collected are from legally restricted fines, as restricted by State law.
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. The revenues are generated by federal and state grants, which are restricted for providing senior services.
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, as restricted by State law.
Multiple Grant	To account for restricted 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 are restricted by State law for drug abuse treatment and education programs.
Animal Services	To account for activities of the animal shelter. The County has committed 50% of the landfill host fees to cover operating costs for the animal shelter.
DUI Court	To account for the coordination of substance abuse intervention with judicial support. Revenues are generated by a fine assessment, as restricted in use by State law.
Victim/Witness	To account for the 4% fee added to Court fines restricted by State law, for the benefit of victims of crime and their families.
Hotel/Motel	To account for monies collected from the 6% lodging tax. Revenues collected are restricted by State law for the promotion of tourism.
Insurance Premium	To account for the insurance premium tax and the expenditures related to the tax. Revenues generated from this tax are restricted for the benefit of providing services primarily provided to unincorporated areas of the County, as restricted by State law.

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

Transportation — To account for the revenues and operating expenses of the County's public transportation system. Revenues of this fund are primarily from federally restricted grants.

Parks and Recreation — To account for the charges for services and activities of the County's parks and recreation department. The County has committed the charges generated from the park and recreation programs and alcohol excise taxes to be used for supporting park and recreation functions.

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, as restricted by State law.

CDBG — To account for the community development block grant receipts and the expenditures related to the grant. Grant receipts are federally restricted for specific purposes in order to provide benefits to low to moderate income groups.

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, as required by State law.

Sheriff's Forfeitures — To account for forfeitures to the County's Sheriff's office. These forfeitures are restricted to be used to offset costs of drug prevention and drug traffic enforcement, as required by State law.

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, as restricted by State law.

Capital Projects Funds

SPLOST IV — To account for the proceeds of a special 1% sales tax approved by voters and levied between 2001 – 2006. The proceeds of this special tax were designated for construction of the animal shelter, the jail, roads, parks and recreation, libraries, and fire stations.

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds (Continued)

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, 2011

	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	$ 59,483	$ 449,277	$ 1,803	$ 239,079	$ -	$ 542,424	$ 47,830	$ 97,732	$ 22,988	$ -
Investments	-	155,063	-	-	-	-	-	-	-	-
Accounts receivable, net of allowance	-	206	51,136	-	-	476	5,964	8,085	5,031	10,814
Due from other governments	-	-	-	-	120,571	-	-	-	-	-
Prepaids	-	-	1,420	-	-	-	1,278	81	83	-
Total assets	$ 59,483	$ 604,546	$ 54,359	$ 239,079	$ 120,571	$ 542,900	$ 55,072	$ 105,898	$ 28,102	$ 10,814
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	$ 13,504	$ -	$ 32,413	$ -	$ 8,590	$ -	$ 10,034	$ 24,444	$ -	$ -
Accrued liabilities	-	-	12,497	-	5,625	-	10,684	1,430	898	-
Due to other funds	-	-	-	-	69,507	-	-	-	-	10,814
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Total liabilities	13,504	-	44,910	-	83,722	-	20,718	25,874	898	10,814
FUND BALANCES (DEFICIT)										
Nonspendable - prepaids	-	-	1,420	-	-	-	1,278	81	83	-
Restricted:										
Law library operations	-	604,546	-	-	-	-	-	-	-	-
Senioir services	-	-	8,029	-	-	-	-	-	-	-
Public safety	-	-	-	239,079	-	542,900	-	79,943	27,121	-
Donations for improviements	-	-	-	-	-	-	16,142	-	-	-
Grant activities	-	-	-	-	36,849	-	-	-	-	-
Jail operation and construction	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-
Impact fees - library projects	-	-	-	-	-	-	-	-	-	-
Impact fees - fire projects	-	-	-	-	-	-	-	-	-	-
Impact fees - park projects	-	-	-	-	-	-	-	-	-	-
Impact fees - PSF projects	-	-	-	-	-	-	-	-	-	-
Impact fees - road projects	-	-	-	-	-	-	-	-	-	-
Impact fees - administration projects	-	-	-	-	-	-	-	-	-	-
Committed:										
Jail and inmate services	45,979	-	-	-	-	-	-	-	-	-
Animal control	-	-	-	-	-	-	16,934	-	-	-
Park and recreation activities	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balance (deficit)	45,979	604,546	9,449	239,079	36,849	542,900	34,354	80,024	27,204	-
Total liabilities and fund balances	$ 59,483	$ 604,546	$ 54,359	$ 239,079	$ 120,571	$ 542,900	$ 55,072	$ 105,898	$ 28,102	$ 10,814

CHEROKEE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue								Capital Project			
ASSETS	Insurance Premium	Transportation	Parks and Recreation	DA Confiscated Assets	CDBG	Jail	Sheriff's Forfeiture	E-911	SPLOST IV	Resource Recovery Development Authority	Impact Fees	Total
Cash	$ -	$ -	$ 108,740	$ 85,754	$ -	$ 1,632,362	$ 91,699	$ 988,134	$ 5,775	$ -	$ 3,776,357	$ 8,149,437
Investments	-	-	-	-	-	-	-	-	-	-	-	155,063
Accounts receivable, net of allowance	435	-	183,422	-	-	12,452	-	622,512	-	-	11,068	911,601
Due from other governments	-	117,010	-	-	53,322	-	-	-	-	-	-	290,903
Prepaids	11,274	1,989	3,839	-	-	21,371	-	4,232	-	608,171	-	653,738
Total assets	$ 11,709	$ 118,999	$ 296,001	$ 85,754	$ 53,322	$ 1,666,185	$ 91,699	$ 1,614,878	$ 5,775	$ 608,171	$ 3,787,425	$ 10,160,742
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Accounts payable	$ 41,320	$ 30,487	$ 51,967	$ 8	$ 23,368	$ 13,444	$ -	$ 101,701	$ 5,899	$ -	$ -	$ 357,179
Accrued liabilities	86,554	7,530	23,852	-	6,699	-	-	84,059	-	-	-	239,828
Due to other funds	51,518	80,982	-	-	45,419	-	-	-	-	-	-	258,240
Deferred revenue	-	-	-	-	-	-	-	933	-	-	-	933
Total liabilities	179,392	118,999	75,819	8	75,486	13,444	-	186,693	5,899	-	-	856,180
FUND BALANCES (DEFICIT)												
Nonspendable - prepaids	11,274	1,989	3,839	-	-	21,371	-	4,232	-	608,171	-	653,738
Restricted:												
Law library operations	-	-	-	-	-	-	-	-	-	-	-	604,546
Senioir services	-	-	-	-	-	-	-	-	-	-	-	8,029
Public safety	-	-	-	85,746	-	-	91,699	-	-	-	-	1,066,488
Donations for improviements	-	-	-	-	-	-	-	-	-	-	-	16,142
Grant activities	-	-	-	-	-	-	-	-	-	-	-	36,849
Jail operation and construction	-	-	-	-	-	1,631,370	-	-	-	-	-	1,631,370
E911 operations	-	-	-	-	-	-	-	1,423,953	-	-	-	1,423,953
Impact fees - library projects	-	-	-	-	-	-	-	-	-	-	449,882	449,882
Impact fees - fire projects	-	-	-	-	-	-	-	-	-	-	57,176	57,176
Impact fees - park projects	-	-	-	-	-	-	-	-	-	-	621,285	621,285
Impact fees - PSF projects	-	-	-	-	-	-	-	-	-	-	1,252,305	1,252,305
Impact fees - road projects	-	-	-	-	-	-	-	-	-	-	977,380	977,380
Impact fees - administration projects	-	-	-	-	-	-	-	-	-	-	429,397	429,397
Committed:												
Jail and inmate services	-	-	-	-	-	-	-	-	-	-	-	45,979
Animal control	-	-	-	-	-	-	-	-	-	-	-	16,934
Park and recreation activities	-	-	216,343	-	-	-	-	-	-	-	-	216,343
Unassigned	(178,957)	(1,989)	-	-	(22,164)	-	-	-	(124)	-	-	(203,234)
Total fund balance (deficit)	(167,683)	-	220,182	85,746	(22,164)	1,652,741	91,699	1,428,185	(124)	608,171	3,787,425	9,304,562
Total liabilities and fund balances	$ 11,709	$ 118,999	$ 296,001	$ 85,754	$ 53,322	$ 1,666,185	$ 91,699	$ 1,614,878	$ 5,775	$ 608,171	$ 3,787,425	$ 10,160,742

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	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										
Alcoholic beverage taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-	-	-	-	-	116,728
Intergovernmental	-	-	612,642	-	1,777,225	-	-	-	-	-
Fines and forfeitures	-	141,090	-	258,407	-	150,570	-	268,265	192,722	-
Charges for services	176,577	3,435	8,529	-	-	-	659,174	-	-	-
License and permits	-	-	-	-	-	-	-	-	-	-
Investment income	68	5,353	-	309	-	464	-	-	-	-
Contributions	-	-	14,847	-	-	-	38,824	11,800	-	-
Other	-	-	-	-	22,118	-	-	-	-	-
Total revenues	176,645	149,878	636,018	258,716	1,799,343	151,034	697,998	280,065	192,722	116,728
EXPENDITURES										
Current:										
General governmental	-	-	-	-	-	-	-	-	-	-
Judicial	-	110,857	-	-	123,258	-	-	-	64,474	-
Public safety	207,454	-	-	300,889	101,904	-	888,496	368,575	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	1,120,028	-	300,637	-	-	-	120,000	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	1,250,413	-	-	-	-	30,000
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	207,454	110,857	1,120,028	300,889	1,776,212	-	888,496	368,575	184,474	30,000
Excess (deficiency) of revenues over expenditures	(30,809)	39,021	(484,010)	(42,173)	23,131	151,034	(190,498)	(88,510)	8,248	86,728
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	488,855	-	44,677	-	210,755	101,000	-	-
Transfers out	-	-	-	(59,293)	-	(101,000)	-	-	-	(86,728)
Total other financing sources (uses)	-	-	488,855	(59,293)	44,677	(101,000)	210,755	101,000	-	(86,728)
Net change in fund balances	(30,809)	39,021	4,845	(101,466)	67,808	50,034	20,257	12,490	8,248	-
FUND BALANCES (DEFICIT), beginning of year	76,788	565,525	4,604	340,545	(30,959)	492,866	14,097	67,534	18,956	-
FUND BALANCES (DEFICIT), end of year	$ 45,979	$ 604,546	$ 9,449	$ 239,079	$ 36,849	$ 542,900	$ 34,354	$ 80,024	$ 27,204	$ -

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Special Revenue								Capital Project			
	Insurance Premium	Transportation	Parks and Recreation	DA Confiscated Assets	CDBG	Jail	Sheriff's Forfeiture	E-911	SPLOST IV	Resource Recovery Development Authority	Impact Fees	Total
REVENUES												
Alcoholic beverage taxes	$ -	$ -	$ 870,637	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 870,637
Other taxes	6,508,474	-	-	-	-	-	-	-	-	-	-	6,625,202
Intergovernmental	6,972	322,812	-	-	1,059,462	-	-	-	-	-	-	3,779,113
Fines and forfeitures	-	-	-	18,172	-	416,917	152,375	-	-	-	-	1,598,518
Charges for services	500	364,945	1,327,358	-	-	-	-	3,845,143	-	-	140,606	6,526,267
License and permits	460,294	-	-	-	-	-	-	-	-	-	-	460,294
Investment income	351	-	17	-	-	2,177	-	1,006	464	-	3,419	13,628
Contributions	-	-	-	-	-	-	-	-	-	-	-	65,471
Other	32,444	3,883	2,829	-	1,504	-	29,081	1,423	-	609,650	-	702,932
Total revenues	7,009,035	691,640	2,200,841	18,172	1,060,966	419,094	181,456	3,847,572	464	609,650	144,025	20,642,062
EXPENDITURES												
Current:												
General governmental	212,730	-	-	-	-	-	-	-	-	-	-	212,730
Judicial	-	-	-	-	-	-	-	-	-	-	-	298,589
Public safety	-	-	-	3,248	-	896,733	149,050	4,096,325	-	-	-	7,012,674
Public works	3,704,046	-	-	-	-	-	-	-	65,603	-	-	3,769,649
Health and welfare	1,859,663	816,949	-	-	-	-	-	-	-	-	-	4,217,277
Culture and recreation	-	-	2,595,734	-	-	-	-	-	13,742	-	-	2,609,476
Housing and development	-	-	-	-	1,067,632	-	-	-	-	-	-	2,348,045
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	310,000	-	310,000
Interest	-	-	-	-	-	-	-	-	-	909,323	-	909,323
Total expenditures	5,776,439	816,949	2,595,734	3,248	1,067,632	896,733	149,050	4,096,325	79,345	1,219,323	-	21,687,763
Excess (deficiency) of revenues over expenditures	1,232,596	(125,309)	(394,893)	14,924	(6,666)	(477,639)	32,406	(248,753)	(78,881)	(609,673)	144,025	(1,045,701)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	294,867	730,689	-	-	-	59,293	-	-	1,217,844	25,269	3,173,249
Transfers out	(816,649)	-	(27,464)	-	-	-	-	-	(1,224,204)	-	-	(2,315,338)
Total other financing sources (uses)	(816,649)	294,867	703,225	-	-	-	59,293	-	(1,224,204)	1,217,844	25,269	857,911
Net change in fund balances	415,947	169,558	308,332	14,924	(6,666)	(477,639)	91,699	(248,753)	(1,303,085)	608,171	169,294	(187,790)
FUND BALANCES (DEFICIT), beginning of year	(583,630)	(169,558)	(88,150)	70,822	(15,498)	2,130,380	-	1,676,938	1,302,961	-	3,618,131	9,492,352
FUND BALANCES (DEFICIT), end of year	$ (167,683)	$ -	$ 220,182	$ 85,746	$ (22,164)	$ 1,652,741	$ 91,699	$ 1,428,185	$ (124)	$ 608,171	$ 3,787,425	$ 9,304,562

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Sheriff's Commissary			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	-	-	-	-
Charges for services	300,000	300,000	176,577	(123,423)
Investment income	-	-	68	68
Contributions	-	-	-	-
Total revenues	300,000	300,000	176,645	(123,355)
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	300,000	300,000	207,454	92,546
Health and welfare	-	-	-	-
Total expenditures	300,000	300,000	207,454	92,546
Excess (deficiency) of revenues over expenditures	-	-	(30,809)	(30,809)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	-	(30,809)	(30,809)
FUND BALANCES, beginning of year	76,788	76,788	76,788	-
FUND BALANCES, end of year	$ 76,788	$ 76,788	$ 45,979	$ (30,809)

Law Library				Senior Services			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 552,786	$ 632,788	$ 612,642	$ (20,146)
148,000	148,000	141,090	(6,910)	-	-	-	-
3,000	3,000	3,435	435	3,000	3,000	8,529	5,529
1,000	1,000	5,353	4,353	-	-	-	-
-	-	-	-	24,000	24,000	14,847	(9,153)
152,000	152,000	149,878	(2,122)	579,786	659,788	636,018	(23,770)
152,000	152,000	110,857	41,143	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,221,943	1,255,032	1,120,028	135,004
152,000	152,000	110,857	41,143	1,221,943	1,255,032	1,120,028	135,004
-	-	39,021	39,021	(642,157)	(595,244)	(484,010)	111,234
-	-	-	-	588,855	592,272	488,855	(103,417)
-	-	-	-	588,855	592,272	488,855	(103,417)
-	-	39,021	39,021	(53,302)	(2,972)	4,845	7,817
565,525	565,525	565,525	-	4,604	4,604	4,604	-
$ 565,525	$ 565,525	$ 604,546	$ 39,021	$ (48,698)	$ 1,632	$ 9,449	$ 7,817

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Confiscated Assets			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	100,000	207,259	258,407	51,148
Investment income	-	309	309	-
Other	-	-	-	-
Total revenues	100,000	207,568	258,716	51,148
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	100,000	249,741	300,889	(51,148)
Health and welfare	-	-	-	-
Housing and development	-	-	-	-
Total expenditures	100,000	249,741	300,889	(51,148)
Excess (deficiency) of revenues over expenditures	-	(42,173)	(42,173)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(59,293)	(59,293)	-
Total other financing sources (uses)	-	(59,293)	(59,293)	-
Net change in fund balances	-	(101,466)	(101,466)	-
FUND BALANCES (DEFICIT), beginning of year	340,545	340,545	340,545	-
FUND BALANCES (DEFICIT), end of year	$ 340,545	$ 239,079	$ 239,079	$ -

Multiple Grant				Drug Abuse and Treatment			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 1,322,202	$ 1,823,045	$ 1,777,225	$ (45,820)	$ -	$ -	$ -	$ -
-	-	-	-	152,000	152,000	150,570	(1,430)
-	-	-	-	500	500	464	(36)
18,400	18,400	22,118	3,718	-	-	-	-
1,340,602	1,841,445	1,799,343	(42,102)	152,500	152,500	151,034	(1,466)
58,247	127,578	123,258	4,320	-	-	-	-
18,400	131,257	101,904	29,353	-	-	-	-
316,278	384,520	300,637	83,883	51,500	51,500	-	51,500
1,000,000	1,250,413	1,250,413	-	-	-	-	-
1,392,925	1,893,768	1,776,212	117,556	51,500	51,500	-	51,500
(52,323)	(52,323)	23,131	75,454	101,000	101,000	151,034	50,034
52,323	52,323	44,677	(7,646)	-	-	-	-
-	-	-	-	(101,000)	(101,000)	(101,000)	-
52,323	52,323	44,677	(7,646)	(101,000)	(101,000)	(101,000)	-
-	-	67,808	67,808	-	-	50,034	50,034
(30,959)	(30,959)	(30,959)	-	492,866	492,866	492,866	-
$ (30,959)	$ (30,959)	$ 36,849	$ 67,808	$ 492,866	$ 492,866	$ 542,900	$ 50,034

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Animal Services			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ -	$ -	$ -
Charges for services	105,500	105,560	659,174	553,614
Contributions	15,000	83,000	38,824	(44,176)
Total revenues	120,500	188,560	697,998	509,438
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	909,859	952,016	888,496	63,520
Health and welfare	-	-	-	-
Total expenditures	909,859	952,016	888,496	63,520
Excess (deficiency) of revenues over expenditures	(789,359)	(763,456)	(190,498)	572,958
OTHER FINANCING SOURCES (USES)				
Transfers in	749,359	749,359	210,755	(538,604)
Transfers out	-	-	-	-
Total other financing sources (uses)	749,359	749,359	210,755	(538,604)
Net change in fund balances	(40,000)	(14,097)	20,257	34,354
FUND BALANCES, beginning of year	14,097	14,097	14,097	-
FUND BALANCES (DEFICIT), end of year	$ (25,903)	$ -	$ 34,354	$ 34,354

DUI Court				Victim/Witness			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 203,630	$ 213,130	$ 268,265	$ 55,135	$ 173,500	$ 173,662	$ 192,722	$ 19,060
-	-	-	-	-	-	-	-
5,000	5,000	11,800	6,800	-	-	-	-
208,630	218,130	280,065	61,935	173,500	173,662	192,722	19,060
-	-	-	-	72,618	72,618	64,474	8,144
391,470	386,664	368,575	18,089	-	-	-	-
-	-	-	-	120,000	120,000	120,000	-
391,470	386,664	368,575	18,089	192,618	192,618	184,474	8,144
(182,840)	(168,534)	(88,510)	80,024	(19,118)	(18,956)	8,248	27,204
101,000	101,000	101,000	-	-	-	-	-
-	-	-	-	-	-	-	-
101,000	101,000	101,000	-	-	-	-	-
(81,840)	(67,534)	12,490	80,024	(19,118)	(18,956)	8,248	27,204
67,534	67,534	67,534	-	18,956	18,956	18,956	-
$ (14,306)	$ -	$ 80,024	$ 80,024	$ (162)	$ -	$ 27,204	$ 27,204

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Hotel/Motel Tax			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Other taxes	$ 80,000	$ 116,728	$ 116,728	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
License and permits	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	80,000	116,728	116,728	-
EXPENDITURES				
Current				
General governmental	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Housing and development	30,000	30,000	30,000	-
Total expenditures	30,000	30,000	30,000	-
Excess (deficiency) of revenues over expenditures	50,000	86,728	86,728	-
OTHER FINANCING USES				
Transfers in	-	-	-	-
Transfers out	(50,000)	(86,728)	(86,728)	-
Total other financing uses	(50,000)	(86,728)	(86,728)	-
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
$ 5,700,000	$ 6,207,149	$ 6,508,474	$ 301,325	$ -	$ -	$ -	$ -
-	6,972	6,972	-	1,197,236	1,197,236	322,812	(874,424)
6,750	6,750	500	(6,250)	382,535	382,535	364,945	(17,590)
425,000	425,000	460,294	35,294	-	-	-	-
500	500	351	(149)	-	-	-	-
10,000	30,789	32,444	1,655	-	-	3,883	3,883
6,142,250	6,677,160	7,009,035	331,875	1,579,771	1,579,771	691,640	(888,131)
214,089	214,089	212,730	1,359	-	-	-	-
3,434,923	3,462,682	3,704,046	(241,364)	-	-	-	-
1,903,160	1,943,660	1,859,663	83,997	1,579,771	1,579,771	816,949	762,822
-	-	-	-	-	-	-	-
5,552,172	5,620,431	5,776,439	(156,008)	1,579,771	1,579,771	816,949	762,822
590,078	1,056,729	1,232,596	175,867	-	-	(125,309)	(125,309)
-	-	-	-	61,978	356,845	294,867	61,978
(350,000)	(816,649)	(816,649)	-	(61,978)	(61,978)	-	(61,978)
(350,000)	(816,649)	(816,649)	-	-	294,867	294,867	-
240,078	240,080	415,947	175,867	-	294,867	169,558	(125,309)
(583,630)	(583,630)	(583,630)	-	(169,558)	(169,558)	(169,558)	-
$ (343,552)	$ (343,550)	$ (167,683)	$ 175,867	$ (169,558)	$ 125,309	$ -	$ (125,309)

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Parks and Recreation			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 875,000	$ 875,000	$ 870,637	$ (4,363)
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	866,318	1,366,318	1,327,358	(38,960)
Investment income	-	-	17	17
Other	-	-	2,829	2,829
Total revenues	1,741,318	2,241,318	2,200,841	(40,477)
EXPENDITURES				
Current				
Public safety	-	-	-	-
Culture and recreation	2,472,007	2,632,007	2,595,734	36,273
Housing and development	-	-	-	-
Total expenditures	2,472,007	2,632,007	2,595,734	36,273
Excess (deficiency) of revenues over expenditures	(730,689)	(390,689)	(394,893)	(4,204)
OTHER FINANCING SOURCES (USES)				
Transfers in	730,689	730,689	730,689	-
Transfers out	-	-	(27,464)	(27,464)
Total other financing sources (uses)	730,689	730,689	703,225	(27,464)
Net change in fund balances	-	340,000	308,332	(31,668)
FUND BALANCES (DEFICIT), beginning of year	(88,150)	(88,150)	(88,150)	-
FUND BALANCES (DEFICIT), end of year	$ (88,150)	$ 251,850	$ 220,182	$ (31,668)

DA Confiscated Assets				CDBG			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	1,791,913	1,791,913	1,059,462	(732,451)
15,000	15,000	18,172	3,172	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,504	1,504
15,000	15,000	18,172	3,172	1,791,913	1,791,913	1,060,966	(730,947)
10,000	10,000	3,248	6,752	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,791,913	1,791,913	1,067,632	724,281
10,000	10,000	3,248	6,752	1,791,913	1,791,913	1,067,632	724,281
5,000	5,000	14,924	9,924	-	-	(6,666)	(6,666)
-	-	-	-	-	-	-	-
(30,000)	(30,000)	-	30,000	-	-	-	-
(30,000)	(30,000)	-	30,000	-	-	-	-
(25,000)	(25,000)	14,924	39,924	-	-	(6,666)	(6,666)
70,822	70,822	70,822	-	(15,498)	(15,498)	(15,498)	-
$ 45,822	$ 45,822	$ 85,746	$ 39,924	$ (15,498)	$ (15,498)	$ (22,164)	$ (6,666)

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Jail			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ 398,000	$ 398,000	$ 416,917	$ 18,917
Charges for services	-	-	-	-
Investment income	7,000	7,000	2,177	(4,823)
Other	-	-	-	-
Total revenues	405,000	405,000	419,094	14,094
EXPENDITURES				
Current				
Public safety	876,574	896,774	896,733	41
Total expenditures	876,574	896,774	896,733	41
Excess (deficiency) of revenues over expenditures	(471,574)	(491,774)	(477,639)	14,135
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	(471,574)	(491,774)	(477,639)	14,135
FUND BALANCES, beginning of year	2,130,380	2,130,380	2,130,380	-
FUND BALANCES, end of year	$ 1,658,806	$ 1,638,606	$ 1,652,741	$ 14,135

Sheriff's Forfeiture				E-911			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 89,757	$ 89,757	$ 152,375	$ 62,618	$ -	$ -	$ -	$ -
-	-	-	-	4,100,000	4,100,000	3,845,143	(254,857)
-	-	-	-	3,000	3,000	1,006	(1,994)
-	-	29,081	29,081	-	-	1,423	1,423
89,757	89,757	181,456	91,699	4,103,000	4,103,000	3,847,572	(255,428)
149,050	149,050	149,050	-	4,270,843	4,270,843	4,096,325	174,518
149,050	149,050	149,050	-	4,270,843	4,270,843	4,096,325	174,518
(59,293)	(59,293)	32,406	91,699	(167,843)	(167,843)	(248,753)	(80,910)
59,293	59,293	59,293	-	-	-	-	-
59,293	59,293	59,293	-	-	-	-	-
-	-	91,699	91,699	(167,843)	(167,843)	(248,753)	(80,910)
-	-	-	-	1,676,938	1,676,938	1,676,938	-
$ -	$ -	$ 91,699	$ 91,699	$ 1,509,095	$ 1,509,095	$ 1,428,185	$ (80,910)

(Continued)

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, 2011

	SPLOST IV			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ -	$ -	$ -	$ -
Investment income	-	-	464	464
Other revenue	-	-	-	-
Total revenues	-	-	464	464
EXPENDITURES				
Current				
Public works	-	-	65,603	(65,603)
Culture and recreation	1,225,127	1,225,127	13,742	1,211,385
Capital outlay	77,770	77,770	-	77,770
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,302,897	1,302,897	79,345	1,223,552
Excess (deficiency) of revenues over expenditures	(1,302,897)	(1,302,897)	(78,881)	1,224,016
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(1,224,204)	(1,224,204)
Total other financing sources (uses)	-	-	(1,224,204)	(1,224,204)
Net change in fund balances	(1,302,897)	(1,302,897)	(1,303,085)	(188)
FUND BALANCES, beginning of year	1,302,961	1,302,961	1,302,961	-
FUND BALANCES, end of year	$ 64	$ 64	$ (124)	$ (188)

Resource Recovery Development Authority				Impact Fees			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 125,000	$ 125,000	$ 140,606	$ 15,606
-	-	-	-	9,000	9,000	3,418	(5,582)
1,219,323	154,989	609,650	454,661	-	-	-	-
1,219,323	154,989	609,650	454,661	134,000	134,000	144,024	10,024
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	400,000	400,000	-	400,000
310,000	310,000	310,000	-	-	-	-	-
909,323	1,062,833	909,323	153,510	-	-	-	-
1,219,323	1,372,833	1,219,323	153,510	400,000	400,000	-	400,000
-	(1,217,844)	(609,673)	608,171	(266,000)	(266,000)	144,024	410,024
-	1,217,844	1,217,844	-	-	-	25,269	25,269
-	-	-	-	-	-	-	-
-	1,217,844	1,217,844	-	-	-	25,269	25,269
-	-	608,171	608,171	(266,000)	(266,000)	169,293	435,293
-	-	-	-	3,618,131	3,618,131	3,618,131	-
$ -	$ -	$ 608,171	$ 608,171	$ 3,352,131	$ 3,352,131	$ 3,787,424	$ 435,293

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
2000:					
Special Local Option Sales Tax IV	$ 125,000,000	$ 132,135,000	$ 130,830,256	$ 1,303,549	$ 132,133,805
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			7,686,170	1,237,946	8,924,116
Roads			67,656,829	65,603	67,722,432
Libraries			2,000,000	-	2,000,000
Fire Stations			2,682,152	-	2,682,152
			$ 130,830,256	$ 1,303,549	$ 132,133,805

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
2005					
Special Local Option Sales Tax V	$ 200,000,000	$ 160,696,000	$ 138,011,746	$ 22,684,259	$ 160,696,005
2005 Projects:					
City of Canton			$ 10,242,577	$ 2,095,930	$ 12,338,507
City of Mountain Park			22,837	4,673	27,510
City of Woodstock			11,258,841	2,303,887	13,562,728
City of Holly Springs			5,138,416	1,051,470	6,189,886
City of Ballground			1,600,852	320,115	1,920,967
City of Waleska			1,335,988	273,382	1,609,370
City of Nelson			536,678	109,820	646,498
Total Intergovernmental			30,136,189	6,159,277	36,295,466
Administration building			21,044,475	5,274,452	26,318,927
Tax Commissioner/Marshal Building			4,371,256	-	4,371,256
Transportation facility & equipment			45,434,705	4,589,353	50,024,058
Park & recreation facility			8,132,122	837,770	8,969,892
Library facility and books			424,835	100,000	524,835
Public safety facilities & equipment			10,257,324	2,465,017	12,722,341
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
Senior center expansion			-	1,800	1,800
Airport			15,251,608	3,256,590	18,508,198
			$ 138,011,746	22,684,259	$ 160,696,005
		Transportation facility & equipment paid with rental income		47,073	
		Administration building renovations paid with interest earnings		8,106	
		Transportation facility & equipment paid with intergovernmental funds		1,629,798	
		Total expenditures in SPLOST Fund		$ 24,369,236	

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 County's contributions and employee premiums for health, disability, and life insurance, and the related payments for these associated costs.

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2011

ASSETS	Fleet Services	Insurance and Benefits	Total
CURRENT ASSETS			
Cash	$ 250	$ 2,907,313	$ 2,907,563
Receivables	397	184,056	184,453
Inventories	188,221	-	188,221
Prepaids	1,270	6,938	8,208
NONCURRENT ASSETS			
Capital assets, net of depreciation	401,554	-	401,554
Total assets	591,692	3,098,307	3,689,999
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	42,797	134,398	177,195
Accrued liabilities	10,880	695,797	706,677
Due to other funds	98,118	-	98,118
Compensated absence, due in one year	21,895	-	21,895
NONCURRENT LIABILITIES			
Compensated absence, due in more than one year	7,298	-	7,298
Total liabilities	180,988	830,195	1,011,183
NET ASSETS			
Invested in capital assets	401,554	-	401,554
Unrestricted	9,150	2,268,112	2,277,262
Total net assets	$ 410,704	$ 2,268,112	$ 2,678,816

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Fleet Services	Insurance and Benefits	Total
OPERATING REVENUES			
Charges for services	$ 1,433,494	$ 10,981,935	$ 12,415,429
Miscellaneous revenue	1,511	800,079	801,590
Total operating revenues	1,435,005	11,782,014	13,217,019
OPERATING EXPENSES			
Personal services and employee benefits	698,474	316,026	1,014,500
Contractual services	29,950	895,945	925,895
Claims paid	-	8,301,932	8,301,932
Supplies	703,025	-	703,025
Depreciation	49,887	-	49,887
Total operating expenses	1,481,336	9,513,903	10,995,239
Change in net assets	(46,331)	2,268,111	2,221,780
NET ASSETS, beginning of year	457,035	1	457,036
NET ASSETS, end of year	$ 410,704	$ 2,268,112	$ 2,678,816

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Fleet Services	Insurance and Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other funds	$ 1,434,608	$ 10,981,402	$ 12,416,010
Payments to employees	(697,797)	(316,026)	(1,013,823)
Payments to suppliers for services provided	(736,811)	(8,694,649)	(9,431,460)
Net cash provided by operating activities	-	1,970,727	1,970,727
Net increase in cash and cash equivalents	-	1,970,727	1,970,727
Cash and cash equivalents, beginning of year	250	936,586	936,836
Cash and cash equivalents, end of year	$ 250	$ 2,907,313	$ 2,907,563
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	$ (46,331)	$ 2,268,111	$ 2,221,780
Adjustments to reconcile operating income (loss) net cash proivded by operating activity			
Depreciation	49,887	-	49,887
Increase in receivables	(397)	(533)	(930)
Decrease in inventory	3,705	-	3,705
Increase in prepaid items	(1,270)	(6,938)	(8,208)
Increase (decrease) in accounts payable	14,238	(75,954)	(61,716)
Increase (decrease) in accrued expenses	237	(62,224)	(61,987)
Decrease in due to other funds	(20,509)	(151,735)	(172,244)
Increase in compensated absences	440	-	440
Net cash provided by operating activities	$ -	$ 1,970,727	$ 1,970,727

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, 2011

	Tax Commissioner	Probate Court	Juvenile Court	Clerk of Superior Court
ASSETS				
Cash	$ 73,806,034	$ 7,258	$ 5,796	$ 6,148,268
Taxes receivable	10,738,852	-	-	-
Total assets	$ 84,544,886	$ 7,258	$ 5,796	$ 6,148,268
LIABILITIES				
Due to others	$ 73,806,034	$ 7,258	$ 5,796	$ 6,148,268
Taxes payable to others upon collection	10,738,852	-	-	-
	$ 84,544,886	$ 7,258	$ 5,796	$ 6,148,268

Clerk of State Court	Sheriff	Total
$ 68,654	$ 338,332	$ 80,374,342
-	-	10,738,852
$ 68,654	$ 338,332	$ 91,113,194
$ 68,654	$ 338,332	$ 80,374,342
-	-	10,738,852
$ 68,654	$ 338,332	$ 91,113,194

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1, 2011	Increases	Decreases	Balance December 31, 2011
Tax Commissioner				
ASSETS				
Cash	$ 79,595,614	$ 205,358,801	$ 211,148,381	$ 73,806,034
Taxes receivable	15,176,931	176,440,490	180,878,569	10,738,852
Total assets	$ 94,772,545	$ 381,799,291	$ 392,026,950	$ 84,544,886
LIABILITIES				
Due to others	$ 79,595,614	$ 205,358,801	$ 211,148,381	$ 73,806,034
Taxes payable to others upon collection	15,176,931	176,440,490	180,878,569	10,738,852
	$ 94,772,545	$ 381,799,291	$ 392,026,950	$ 84,544,886
Probate Court				
ASSETS				
Cash	$ 10,306	$ 424,767	$ 427,815	$ 7,258
LIABILITIES				
Due to others	$ 10,306	$ 424,767	$ 427,815	$ 7,258
Juvenile Court				
ASSETS				
Cash	$ 1,237	$ 113,207	$ 108,648	$ 5,796
LIABILITIES				
Due to others	$ 1,237	$ 113,207	$ 108,648	$ 5,796

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1, 2011	Increases	Decreases	Balance December 31, 2011
Clerk of Superior Court				
ASSETS				
Cash	$ 5,641,496	$ 11,102,759	$ 10,595,987	$ 6,148,268
LIABILITIES				
Due to others	$ 5,641,496	$ 11,102,759	$ 10,595,987	$ 6,148,268
Clerk of State Court				
ASSETS				
Cash	$ 61,885	$ 2,914,794	$ 2,908,025	$ 68,654
LIABILITIES				
Due to others	$ 61,885	$ 2,914,794	$ 2,908,025	$ 68,654
Sheriff				
ASSETS				
Cash	$ 445,658	$ 3,104,751	$ 3,212,077	$ 338,332
LIABILITIES				
Due to others	$ 445,658	$ 3,104,751	$ 3,212,077	$ 338,332
Total Agency Funds				
ASSETS				
Cash	$ 85,756,196	$ 223,019,079	$ 228,400,933	$ 80,374,342
Taxes receivable	15,176,931	176,440,490	180,878,569	10,738,852
Total assets	$ 100,933,127	$ 399,459,569	$ 409,279,502	$ 91,113,194
LIABILITIES				
Due to others	$ 85,756,196	$ 223,019,079	$ 228,400,933	$ 80,374,342
Uncollected taxes	15,176,931	176,440,490	180,878,569	10,738,852
	$ 100,933,127	$ 399,459,569	$ 409,279,502	$ 91,113,194

DEVELOPMENT AUTHORITY OF CHEROKEE COUNTY

BALANCE SHEET
DECEMBER 31, 2011

ASSETS		
Cash	$	1,786,806
Accounts receivable, net of allowance		28,320
Prepaid assets		113,391
Total assets	$	1,928,517
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accrued liabilities	$	734
Total liabilities		734
FUND BALANCE		
Nonspendable - Prepaid assets		113,391
Unassigned		1,814,392
Total fund balance		1,927,783
Total liabilities and fund balance	$	1,928,517

DEVELOPMENT AUTHORITY OF CHEROKEE COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2011

REVENUES		
Intergovernmental	$	722,177
Investment income		2,208
Contributions		16,376
Other		32,000
Total revenues		772,761
EXPENDITURES		
Current:		
Housing and development		470,186
Debt Service:		
Principal		164,676
Interest		283,757
Total expenditures		918,619
Net change in fund balance		(145,858)
FUND BALANCE, beginning of year		2,073,641
FUND BALANCE, end of year	$	1,927,783

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 NINE FISCAL YEARS

(Unaudited)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	$ 1,050,048,300
Restricted	20,332,896	6,215,768	854,710	2,159,137	2,278,709	3,515,045	37,906,250	35,732,314	58,696,018
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	9,944,894
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	1,118,689,212
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	630,863
Unrestricted	(665,410)	(1,419,594)	(1,021,454)	3,784,756	4,391,867	3,630,081	1,193,605	147,817	870,092
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	1,500,955
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	1,050,679,163
Restricted	20,332,896	6,215,768	854,710	2,159,137	2,278,709	3,515,045	37,906,250	35,732,314	58,696,018
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	10,814,986
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	$ 1,120,190,167

CHEROKEE COUNTY, GEORGIA

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

(Unaudited)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	$ 11,709,843
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	12,131,482
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	53,392,268
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	48,284,482
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	4,954,955
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	4,287,850
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	3,656,342
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	3,411,397
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	141,828,619
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	6,678,161
	-	-	-	-	-	-	162,963	224,636	326,115
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	7,004,276
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	148,832,895
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	4,539,020
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	6,815,386
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	6,407,070
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	1,779,098
Health and Welfare	209,628	453,590	52,145	95,475	265,725	193,424	177,837	353,951	373,474
Culture and Recreation	-	-	-	-	871,830	1,123,960	938,345	1,098,694	1,327,358
Housing and Development	148,519	321,363	-	-	-	729,171	976,699	848,876	902,726
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	5,005,625
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	11,517,533
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	38,667,290
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	6,383,784
Conference Center:									
Charges for Services	-	-	-	-	-	-	8,059	11,038	13,638
Operating Grants and Contributions	-	-	-	-	-	-	21,000	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	6,418,422
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	45,085,712
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)	(103,161,329)
Business-type Activities	(1,349,690)	(816,393)	(557,675)	770,212	419,104	(2,002,501)	(3,504,859)	(1,734,828)	(585,854)
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)	(103,747,183)

CHEROKEE COUNTY, GEORGIA

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

(Unaudited)

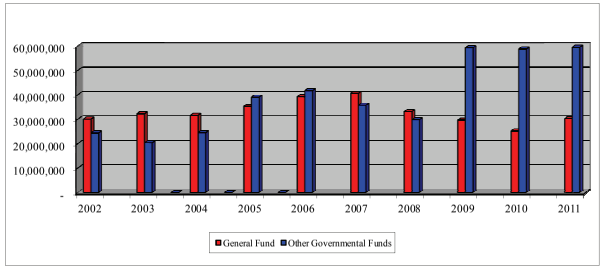
	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Property Taxes	$ 42,200,992	$ 46,027,427	$ 48,256,431	$ 52,184,012	$ 58,987,690	$ 55,462,119	$ 64,298,714	$ 59,595,990	$ 61,718,917
Alcoholic beverage taxes	711,227	745,493	722,866	739,005	776,714	879,968	870,004	899,933	870,637
Franchise taxes	-	960,471	1,381,058	1,331,248	1,122,201	1,248,798	1,501,321	1,484,307	1,587,195
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	29,288,708
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	6,508,474
Other taxes	516,248	72,286	92,401	104,269	117,815	105,038	82,876	89,491	116,728
Miscellaneous revenues	1,342,594	984,646	1,495,238	5,679,080	2,439,813	803,358	2,262,810	2,018,183	2,537,155
Unrestricted investment earnings	850,784	160,788	762,261	2,462,905	2,627,810	1,270,686	457,225	166,685	42,501
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)	(974,732)
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	101,695,583
Business-type Activities									
Insurance Premium taxes	-	-	400,000	400,000	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	146,706	187,728	260,821
Transfers	290,000	290,000	565,884	3,795,734	170,054	2,179,413	797,876	404,491	974,732
Total business-type activities	290,000	290,000	965,884	4,195,734	170,054	2,179,413	944,582	592,219	1,235,553
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	102,931,136
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)	(1,465,746)
Business-type Activities	(1,059,690)	(526,393)	408,209	4,965,946	589,158	176,912	(2,560,277)	(1,142,609)	649,699
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)	(816,047)
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	1,121,006,214
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**	**$ 1,120,190,167**

CHEROKEE COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund										
Reserved	$ 53,259	$ 27,511	$ 142,307	$ 151,863	$ 175,525	$ 51,116	$ 175,321	$ 213,815	$ 267,643	$ -
Unreserved	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	-
Nonspendable:										
Prepaids	-	-	-	-	-	-	-	-	-	199,244
Inventory	-	-	-	-	-	-	-	-	-	5,380
Assigned for use in subsequent budget	-	-	-	-	-	-	-	-	-	25,419,651
Unassigned	-	-	-	-	-	-	-	-	-	4,567,170
Total General Fund	**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**	**30,191,445**
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	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	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	4,701,832	5,762,711	5,575,779	9,304	-	-	-	-	-	-
Nonspendable:										
Prepaids	-	-	-	-	-	-	-	-	-	682,020
Restricted:										
Law library operations	-	-	-	-	-	-	-	-	-	604,546
Senior services	-	-	-	-	-	-	-	-	-	8,029
Public safety	-	-	-	-	-	-	-	-	-	1,066,488
Donations for improvements	-	-	-	-	-	-	-	-	-	16,142
Grant activities	-	-	-	-	-	-	-	-	-	36,849
Jail opeartion and maintenance	-	-	-	-	-	-	-	-	-	1,631,370
E911 operations	-	-	-	-	-	-	-	-	-	1,423,953
Impact fees - library projects	-	-	-	-	-	-	-	-	-	449,882
Impact fees - fire projects	-	-	-	-	-	-	-	-	-	57,176
Impact fees - park projects	-	-	-	-	-	-	-	-	-	621,285
Impact fees - public safety facility projects	-	-	-	-	-	-	-	-	-	1,252,305
Impact fees - road projects	-	-	-	-	-	-	-	-	-	977,380
Impact fees - administration projects	-	-	-	-	-	-	-	-	-	429,397
Debt service	-	-	-	-	-	-	-	-	-	8,526,268
Cultural and recreation construction	-	-	-	-	-	-	-	-	-	21,593,785
SPLOST projects	-	-	-	-	-	-	-	-	-	7,915,351
Fire protection services	-	-	-	-	-	-	-	-	-	12,085,812
Committed:										
Jail and inmate services	-	-	-	-	-	-	-	-	-	45,979
Animal control	-	-	-	-	-	-	-	-	-	16,934
Park and recreation activities	-	-	-	-	-	-	-	-	-	216,343
Unassigned	-	-	-	-	-	-	-	-	-	(203,234)
Total all other governmental funds	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	59,454,060
Total all governmental funds	**$ 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**	**$ 89,645,505**

* 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.
NOTE: The County implemented GASB 54 effective January 1, 2011



CHEROKEE COUNTY, GEORGIA

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

(Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	$ 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	$ 100,817,537
Licenses and Permits	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	1,168,702
Fines and Penalties	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	6,607,933
Charges for Services	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	14,284,477
Intergovernmental	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	5,371,357
Investment Earnings	2,055,101	850,784	160,788	762,261	2,462,905	2,627,810	1,270,686	487,215	183,046	51,072
Other Revenues	793,446	1,342,594	633,533	1,371,761	5,791,725	2,512,546	896,079	1,546,588	2,335,660	3,224,165
Total Revenues	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	131,525,243
Expenditures										
General Government	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	9,145,033
Judicial	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	12,190,687
Public Safety	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	53,128,844
Public Works	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	8,981,853
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	4,810,705
Housing and Development	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	4,832,386
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	3,605,951
Capital Outlay	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	7,816,079
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	10,466,097
Bond issuance costs	-	-	-	-	-	568,857	-	496,642	3,607,748	3,754,944
Interest	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	6,159,277
Total Expenditures	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	124,891,856
Excess (deficiency) of revenues over (under) expenditures	(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)	6,633,387
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	51,907
Transfers in	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	16,016,357
Transfers out	(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)	(16,991,089)
Total other financing sources (uses)	(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	(922,825)
Net Change in Fund Balance	(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)	5,710,562
Fund Balances, beginning of the 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
Prior Period Adjustments	(2,931,160)	(356,982)	8,667,423	-	-	-	(10,627,648)	-	-	-
Fund Balances, end of year	$ 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	$ 89,645,505
Debt service as a percentage of noncapital expenditures	12.71%	10.63%	10.24%	10.23%	1.72%	6.11%	8.52%	9.81%	11.92%	12.74%

CHEROKEE COUNTY, GEORGIA

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

(Unaudited)

	Program Revenues								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
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	$ 5,629,940
Judicial	-	6,794,411	10,737,171	6,604,237	8,237,620	8,558,858	7,405,579	6,996,592	7,352,353
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	6,656,136
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	14,444,269
Health and welfare	-	453,590	52,145	95,475	1,209,531	2,245,279	1,774,877	2,309,171	2,304,508
Culture and recreation		-	-	-	1,371,756	1,123,960	938,345	1,120,369	1,377,358
Housing and development	-	1,069,592	1,078,238	1,412,488	174,510	729,171	976,699	848,876	902,726
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	38,667,290
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	6,383,784
Conference Center	-	-	-	-	-	-	29,059 (2)	32,038	34,638
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	6,418,422
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	$ 45,085,712

(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
12/31/2002	$ 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
12/31/2011	56,712,075	1,054,289	4,679,431	6,508,474	29,288,708	2,574,560	100,817,537

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	
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
2011	4,435,075,476	11,087,688,690	832,187,128	2,080,467,820	148,216,320	370,540,800	432,262,840	7,721,058,141	19,302,645,352	29.24

* Source: Cherokee County Tax Assessor

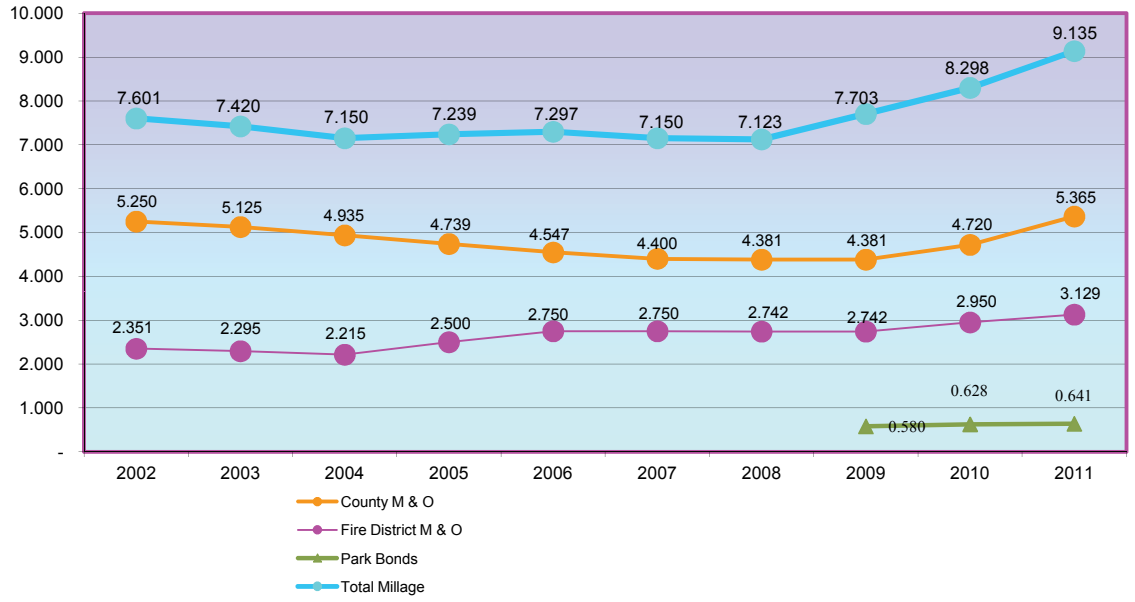
Note: Property in Cherokee County is assessed at 40% of actual value. Tax rates are per $1,000 of assessed value.

CHEROKEE COUNTY, GEORGIA

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

Year of Levy	County Maintenance and Operations	Fire Districts County Wide	Parks County Wide	Total County Wide	State	Schools Maintenance and Operations	Schools Bonded Debt	Schools Total	Total Direct and Overlapping
2002	5.250	2.351		7.601	0.25	18.450	1.269	19.719	27.57
2003	5.125	2.295		7.420	0.25	18.450	1.269	19.719	27.39
2004	4.935	2.215		7.150	0.25	18.450	1.129	19.579	26.98
2005	4.739	2.500		7.239	0.25	18.450	0.900	19.350	26.84
2006	4.547	2.750		7.297	0.25	18.450	0.500	18.950	26.50
2007	4.400	2.750		7.150	0.25	18.450	0.400	18.850	26.25
2008	4.381	2.742		7.123	0.25	18.450	0.400	18.850	26.22
2009	4.381	2.742	0.580	7.703	0.25	18.450	0.400	18.850	26.80
2010	4.720	2.950	0.628	8.298	0.25	19.450	0.400	19.850	28.40
2011	5.365	3.129	0.641	9.135	0.25	19.450	0.400	19.850	29.24

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
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%
2011	1.00%	1.00%	4.00%	6.00%

CHEROKEE COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2011

(Unaudited)

Taxpayer	2011 Assessed Value	2011 Rank	2011 Percentage of Total Assessment	2006** Assessed Value	2006** Rank	2006** Percentage of Total Assessment
Georgia Power	$ 38,025,645	1	0.49%	$ 29,127,920	2	0.38%
Atlanta Gas Light Company	26,610,045	2	0.34%	32,550,440	1	0.42%
Cobb EMC	19,814,796	3	0.26%	19,180,800	3	0.25%
GLL Selection II Georgia LLP	18,826,440	4	0.24%			
Federal National Mtg. Assoc.	17,459,400	5	0.23%			
Georgia Transmission	14,330,300	6	0.19%	12,752,640	6	0.17%
BellSouth Telecommunications	12,812,843	7	0.17%	17,275,760	5	0.22%
CH Realty IV / Woodstock, LLC	12,809,360	8	0.17%			
DDRM Riverstone Plaza LLC	11,895,240	9	0.15%			
Windstream Georgia Comm Corp	11,634,859	10	0.15%			
Forest Real Estate Group, Inc.						
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%
	$ 184,218,928		2.39%	$ 172,300,206		2.23%

* 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
2002		$ 29,156,215	25,899,816	88.83%	$ 2,999,445	$ 28,899,261	99.12%
2003		36,812,799	27,724,931	75.31%	3,086,752	30,811,683	83.70%
2004		39,028,719	30,000,519	76.87%	3,078,575	33,079,093	84.76%
2005		39,800,255	33,479,195	84.12%	3,913,663	37,392,857	93.95%
2006		42,938,818	38,602,916	89.90%	4,316,958	42,919,874	99.96%
2007		47,081,527	42,439,233	90.14%	4,487,439	46,926,672	99.67%
2008		51,585,541	43,223,045	83.79%	5,659,236	48,882,281	94.76%
2009	*	54,038,156	47,854,035	88.56%	5,708,447	53,562,482	99.12%
2010	*	53,438,477	48,273,578	90.33%	4,662,629	52,936,207	99.06%
2011	*	55,348,553	50,886,129	91.94%	-	50,886,129	91.94%

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

TOTAL TAX EXECUTIONS OWNED (FIFAs)
LAST THREE FISCAL YEARS

(Uaudited)

	Outstanding Tax Executions as of Year Ending		
Year of Tax Levy	**12/31/2009**	**12/31/2010**	**12/31/2011**
2002	$ 916	$ 828	$ 665
2003	1,778	1,060	763
2004	2,432	1,277	1,018
2005	2,238	1,556	1,083
2006	3,962	2,354	1,380
2007	42,393	7,324	4,994
2008	784,551	74,490	13,764
2009	-	509,817	84,709
2010	-	-	463,995
2011	-	-	-
TOTAL	**$ 838,270**	**$ 598,706**	**$ 572,371**

Note: Information is provided as continuing disclosure for the 2009 bonds, therefore information only goes back to 2009.
Source: Cherokee County Tax Commissioner

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
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	1.21%	398.95	215,084	33,000
2010	67,097,000	-	17,855,000	534,350	-	85,486,350	1.34%	398.82	214,346	29,832
2011	57,067,000	-	17,545,000	408,254	-	75,020,254	1.24%	343.68	218,286	27,724

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
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
2011	57,067,000	-	17,545,000	74,612,000	0.39%	341.81	218,286	19,302,645,352

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, 2011

(Unaudited)

General Obligation Debt:		
2005 Issue	$ 3,640,000	
2008 Issues	3,655,000	
2009 Issue	39,005,000	
2010 Issue	10,767,000	
Total General Obligation Debt		$ 57,067,000
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	17,545,000	
Total Guaranteed Revenue Debt		17,545,000
Overlapping General Obligation Debt		
Cherokee County School System	513,183,265	
Total Overlapping Debt		513,183,265
Total Direct and Overlapping Debt		$ 587,795,265
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	$ 261.43	
Direct Guaranteed Revenue Debt	80.38	
Overlapping General Obligation Debt	2,350.97	
	$ 2,692.78	

(1) Based on estimated population of 218,286 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									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Assessed Value	$ 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	$ 7,721,058
Debt Limit: 10% of assessed value	526,543	565,680	620,227	690,164	772,477	882,275	925,901	900,179	824,655	772,106
Less: Debt applicable to debt limit	15,000	8,000	-	20,000	29,000	25,000	28,000	66,020	67,097	57,067
Legal Debt Margin	$ 526,528	$ 565,672	$ 620,227	$ 690,144	$ 772,448	$ 882,250	$ 925,873	$ 900,113	$ 824,598	$ 715,039

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
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
2011	-	-	-	-	29,289	11,251	18,038	6,980	536	2.40

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
12/31/2002	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%
12/31/2011	218,286	6,051,761	27,724	36.3	38,290	7.90%

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

	2011			2008 **		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Cherokee County Schools	4,507	1	4.4%	5,000	1	*
Cherokee County Government	1,318	2	1.3%	1,330	2	*
Wal-mart Associates, Inc.	1,060	3	1.0%	-	-	-
Publix Supermarkets	932	4	0.9%	-	-	-
Pilgrams Pride Corp.	925	5	0.9%	740	4	*
Northside-Cherokee Hospital	855	6	0.8%	850	3	*
Chart Inc.	552	7	0.5%	262	7	*
Target	387	8	0.4%	-	-	-
Universal Alloy Corporation	245	9	0.2%	500	5	*
Meyn America, Inc.	250	10	0.2%	285	6	*
Piolax Corporation	-	-	-	250	8	*
Reinhardt University	-	-	-	205	9	*
City of Woodstock	-	-	-	193	10	*

* Information is not readily available.
** 2008 is the oldest data available
Source: Cherokee County Chamber of Commerce

CHEROKEE COUNTY, GEORGIA

EMPLOYEES BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011
Total Full Time Positions	5	5	5	5	5	5	5	5	5
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL COUNTY COMMISSION	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**
Total Full Time Positions	1	1	1	1	1	1	1	1	1
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL COUNTY CLERK	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	5	5	5	4	4	4	5	4	2
Total Part Time Positions	1	1	0	0	0	0	0	2	3
TOTAL COUNTY MANAGER	**6**	**6**	**5**	**4**	**4**	**4**	**5**	**6**	**5**
Total Full Time Positions	0	0	2	2	2	2	2	2	2
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL COMMUNITY SERVICES	**0**	**0**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Total Full Time Positions	10	10	9	9	9	9	6	7	7
Total Part Time Positions	2	2	2	2	2	2	3	3	2
TOTAL VOTER REGISTRATION	**12**	**12**	**11**	**11**	**11**	**11**	**9**	**10**	**9**
Total Full Time Positions	7	7	8	7	7	7	8	7	7
Total Part Time Positions	0	0	0	1	1	1	0	0	0
TOTAL FINANCE	**7**	**7**	**8**	**8**	**8**	**8**	**8**	**7**	**7**
Total Full Time Positions	3	3	1	2	2	2	Moved to Comm Dev	Moved to Comm Dev	Moved to Comm Dev
Total Part Time Positions	0	0	1	0	0	0	Services	Services	Services
TOTAL BUSINESS LICENSES	**3**	**3**	**2**	**2**	**2**	**2**			
Total Full Time Positions	0	0	0	0	0	0	5	4	4
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL COMMUNITY DEVELOPMENT SERVICES (DEVELOPMENT SERVICE CENTER)	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**4**	**4**
Total Full Time Positions	2	2	2	2	2	2	2	3	3
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL PURCHASING	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**
Total Full Time Positions	2	2	2	2	2	2	Move to	Move to	Move to
Total Part Time Positions	0	0	0	0	0	0	Outside	Outside	Outside
TOTAL COUNTY ATTORNEY	**2**	**2**	**2**	**2**	**2**	**2**	Vendor	Vendor	Vendor
Total Full Time Positions	8	8	10	10	10	10	12	13	12
Total Part Time Positions	1	1	0	0	0	0	0	0	0
TOTAL INFORMATION TECHNOLOGY	**9**	**9**	**10**	**10**	**10**	**10**	**12**	**13**	**12**
Total Full Time Positions	3	3	3	4	4	4	4	4	4
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL GEOGRAPHICAL INFORMATION	**3**	**3**	**3**	**4**	**4**	**4**	**4**	**4**	**4**
Total Full Time Positions	3	3	4	4	4	4	4	5	5
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL HUMAN RESOURCES	**3**	**3**	**4**	**4**	**4**	**4**	**4**	**5**	**5**
Total Full Time Positions	34	34	32	32	32	32	25	29	29
Total Part Time Positions	0	0	0	0	0	0	1	1	1
TOTAL TAX COMMISSIONER	**34**	**34**	**32**	**32**	**32**	**32**	**26**	**30**	**30**
Total Full Time Positions	31	31	31	33	33	33	31	30	30
Total Part Time Positions	0	0	0	0	0	0	1	1	1
TOTAL TAX ASSESSOR	**31**	**31**	**31**	**33**	**33**	**33**	**32**	**31**	**31**
Total Full Time Positions	5	5	5	6	6	6	9	9	9
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL PROPERTY MANAGEMENT	**5**	**5**	**5**	**6**	**6**	**6**	**9**	**9**	**9**
Total Full Time Positions	10	11	11	11	11	11	12	11	11
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL FLEET SERVICES	**10**	**11**	**11**	**11**	**11**	**11**	**12**	**11**	**11**
Total Full Time Positions	3	3	4	4	4	4	4	6	4
Total Part Time Positions	12	12	11	13	13	13	15	15	15
TOTAL COURT ADMINISTRATION	**15**	**15**	**15**	**17**	**17**	**17**	**19**	**21**	**19**
Total Full Time Positions	2	2	2	2	2	2	3	3	3
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL SUPERIOR COURT	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**	**3**
Total Full Time Positions	2	2	2	2	2	2	3	3	3
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL SUPERIOR COURT LAW CLERKS	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**	**3**
Total Full Time Positions	2	3	3	1	1	1	1	1	1
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL PRE-TRIAL SERVICES	**3**	**3**	**3**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	0	0	0	4	4	4	4	4	4
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL INDIGENT DEFENSE	**0**	**0**	**0**	**4**	**4**	**4**	**4**	**4**	**4**
Total Full Time Positions	49	49	47	47	47	47	56	57	57
Total Part Time Positions	2	2	4	4	4	4	5	5	5
TOTAL COURT CLERK	**51**	**51**	**51**	**51**	**51**	**51**	**61**	**62**	**62**
Total Full Time Positions	24	24	24	25	25	25	26	27	25
Total Part Time Positions	0	0	0	0	0	0	0	2	0
TOTAL DISTRICT ATTORNEY	**24**	**24**	**24**	**25**	**25**	**25**	**26**	**29**	**25**
Total Full Time Positions	3	3	3	3	3	3	6	5	7
Total Part Time Positions	0	0	0	0	0	0	0	0	2
TOTAL VICTIM OF CRIME GRANT	**3**	**3**	**3**	**3**	**3**	**3**	**6**	**5**	**9**
Total Full Time Positions	6	6	6	6	6	6	5	6	6
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL STATE COURT	**6**	**6**	**6**	**6**	**6**	**6**	**5**	**6**	**6**
Total Full Time Positions	11	11	15	16	16	16	24	24	23
Total Part Time Positions	2	2	0	3	3	3	2	2	2
TOTAL STATE COURT SOLICITOR	**13**	**13**	**15**	**19**	**19**	**19**	**26**	**26**	**25**
Total Full Time Positions	0	0	0	2	2	2	2	2	2
Total Part Time Positions	0	0	0	0	0	0	0	1	1
TOTAL DUI COURT	**0**	**0**	**0**	**2**	**2**	**2**	**2**	**3**	**3**
Total Full Time Positions	6	6	5	6	6	6	2	2	2
Total Part Time Positions	7	7	7	6	1	1	4	5	5
TOTAL MAGISTRATE COURT	**13**	**13**	**12**	**12**	**7**	**7**	**6**	**7**	**7**
Total Full Time Positions	8	8	8	8	8	8	9	10	9
Total Part Time Positions	0	1	0	0	0	0	0	0	0
TOTAL PROBATE COURT	**8**	**9**	**8**	**8**	**8**	**8**	**9**	**10**	**9**
Total Full Time Positions	5	5	5	5	5	5	6	6	6
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL JUVENILE COURT	**5**	**5**	**5**	**5**	**5**	**5**	**6**	**6**	**6**
Total Full Time Positions	8	8	8	7	7	7	11	12	11
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL DRUG TASK FORCE	**8**	**8**	**8**	**7**	**7**	**7**	**11**	**12**	**11**
Total Full Time Positions	0	0	0	2	2	2	0	0	0
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL HEAT GRANT	**0**	**0**	**0**	**2**	**2**	**2**	**0**	**0**	**0**
Total Full Time Positions	25	25	25	26	26	26	20	22	20
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL SHERIFF ADMINISTRATION	**25**	**25**	**25**	**26**	**26**	**26**	**20**	**22**	**20**
Total Full Time Positions	30	35	33	33	33	33	32	31	30
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL CRIMINAL INVESTIGATION	**30**	**35**	**33**	**33**	**33**	**33**	**32**	**31**	**30**
Total Full Time Positions	0	0	8	8	8	8	8	9	9
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL MAJOR CRIMES UNIT	**0**	**0**	**8**	**8**	**8**	**8**	**8**	**9**	**9**
Total Full Time Positions	106	108	119	119	119	119	135	121	121
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL UNIFORM PATROL	**106**	**108**	**119**	**119**	**119**	**119**	**135**	**121**	**121**
Total Full Time Positions	0	0	0	0	0	0	8	6	6
Total Part Time Positions	0	0	0	0	0	0	0	0	0
Total Sherriff Training Division	**0**	**0**	**0**	**0**	**0**	**0**	**8**	**6**	**6**

CHEROKEE COUNTY, GEORGIA

EMPLOYEES BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS

Title	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011
Total Full Time Positions	19	19	20	20	20	20	30	54	54
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL COURT SECURITY	**19**	**19**	**20**	**20**	**20**	**20**	**30**	**54**	**54**
Total Full Time Positions	3	2	4	4	4	4	3	2	2
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL SHERIFF INTERNAL AFFAIRS	**3**	**2**	**4**	**4**	**4**	**4**	**3**	**2**	**2**
Total Full Time Positions	0	0	0	0	0	0	0	0	0
Total Part Time Positions	13	15	15	15	15	15	14	14	14
TOTAL CROSSING GUARDS	**13**	**15**	**15**	**15**	**15**	**15**	**14**	**14**	**14**
Total Full Time Positions	131	148	153	154	154	154	141	130	133
Total Part Time Positions	1	1	0	0	0	0	4	5	7
TOTAL ADULT DETENTION CENTER	**132**	**149**	**153**	**154**	**154**	**154**	**145**	**135**	**140**
Total Full Time Positions	14	14	10	10	10	10	12	14	13
Total Part Time Positions	0	0	0	0	0	0	0	1	2
TOTAL FIRE ADMINISTRATION	**14**	**14**	**10**	**10**	**10**	**10**	**12**	**15**	**15**
Total Full Time Positions	0	0	7	7	7	7	6	4	6
Total Part Time Positions	0	0	0	0	0	0	0	1	0
TOTAL FIRE MARSHAL	**0**	**0**	**7**	**7**	**7**	**7**	**6**	**5**	**6**
Total Full Time Positions	136	140	147	188	188	188	206	203	203
Total Part Time Positions	26	27	1	31	31	31	0	10	10
TOTAL FIRE FIGHTING	**162**	**167**	**148**	**219**	**219**	**219**	**206**	**213**	**213**
Total Full Time Positions	2	2	3	2	2	2	3	2	2
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL FIRE PREVENTION	**2**	**2**	**3**	**2**	**2**	**2**	**3**	**2**	**2**
Total Full Time Positions	4	4	2	3	3	3	8	6	6
Total Part Time Positions	1	1	1	0	0	0	0	0	0
TOTAL FIRE TRAINING	**5**	**5**	**3**	**3**	**3**	**3**	**8**	**6**	**6**
Total Full Time Positions	47	47	49	36	36	36	52	55	55
Total Part Time Positions	9	9	0	0	0	0	0	0	0
TOTAL EMERGENCY MEDICAL SERVICES	**56**	**56**	**49**	**36**	**36**	**36**	**52**	**55**	**55**
Total Full Time Positions	1	1	1	1	1	1	1	1	1
Total Part Time Positions	2	2	2	2	2	2	2	2	2
TOTAL COUNTY CORONER	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
Total Full Time Positions	40	42	44	48	48	48	46	49	49
Total Part Time Positions	11	14	14	14	14	14	8	9	9
TOTAL EMERGENCY-9-1-1	**51**	**56**	**58**	**62**	**62**	**62**	**54**	**58**	**58**
Total Full Time Positions	4	4	5	5	5	5	6	6	6
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL ANIMAL CONTROL	**4**	**4**	**5**	**5**	**5**	**5**	**6**	**6**	**6**
Total Full Time Positions	17	17	17	17	17	17	14	15	15
Total Part Time Positions	0	0	0	0	0	0	1	2	2
TOTAL ANIMAL SHELTER	**17**	**17**	**17**	**17**	**17**	**17**	**15**	**17**	**17**
Total Full Time Positions	0	4	2	2	2	2	3	3	3
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL EMERGENCY MANAGEMENT	**0**	**4**	**2**	**2**	**2**	**2**	**3**	**3**	**3**
Total Full Time Positions	66	66	66	65	65	65	64	35	36
Total Part Time Positions	10	10	11	11	11	11	7	11	4
TOTAL ROADS AND BRIDGES	**76**	**76**	**77**	**76**	**76**	**76**	**71**	**46**	**40**
Total Full Time Positions	0	0	0	0	0	0	0	28	31
Total Part Time Positions	0	0	0	0	0	0	0	4	7
TOTAL SPLOST ROADS AND BRIDGES	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**32**	**38**
Total Full Time Positions	1	1	1	1	1	1	1	1	1
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL SPLOST ADMINISTRATION	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	5	5	5	5	5	5	2	3	3
Total Part Time Positions	4	4	4	4	4	4	3	3	3
TOTAL SPLOST ENGINEERING	**9**	**9**	**9**	**9**	**9**	**9**	**5**	**6**	**6**
Total Full Time Positions	6	6	6	6	6	6	1	4	4
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL ENGINEERING DEVELOPMENT	**6**	**6**	**6**	**6**	**6**	**6**	**1**	**4**	**4**
Total Full Time Positions	0	0	0	0	0	0	4	3	3
Total Part Time Positions	0	0	0	0	0	0	0	1	1
TOTAL STORMWATER	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**4**	**4**
Total Full Time Positions	12	12	11	11	11	11	6	6	6
Total Part Time Positions	2	2	2	2	2	2	0	0	0
TOTAL ENGINEERING	**14**	**14**	**13**	**13**	**13**	**13**	**6**	**6**	**6**
Total Full Time Positions	6	6	6	6	6	6	1	1	1
Total Part Time Positions	2	4	4	4	4	4	2	4	3
TOTAL RECYCLING CENTER	**8**	**10**	**10**	**10**	**10**	**10**	**3**	**5**	**4**
Total Full Time Positions	14	14	15	15	15	15	13	15	15
Total Part Time Positions	4	4	4	5	5	5	5	6	6
TOTAL SENIOR SERVICES	**18**	**18**	**19**	**20**	**20**	**20**	**18**	**21**	**21**
Total Full Time Positions	1	1	1	1	1	1	1	1	1
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL CONSERVATION ADMINISTRATION	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	17	14	14	14	14	14	11	9	10
Total Part Time Positions	4	4	3	3	3	3	0	0	0
TOTAL BUILDING INSPECTIONS	**21**	**18**	**17**	**17**	**17**	**17**	**11**	**9**	**10**
Total Full Time Positions	7	7	7	7	7	7	8	8	7
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL PLANNING & ZONING	**7**	**7**	**7**	**7**	**7**	**7**	**8**	**8**	**7**
Total Full Time Positions	6	6	11	10	10	10	9	9	9
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL CODE ENFORCEMENT	**6**	**6**	**11**	**10**	**10**	**10**	**9**	**9**	**9**
Total Full Time Positions	0	0	0	0	0	0	13	13	13
Total Part Time Positions	0	0	0	0	0	0	2	4	3
TOTAL CATS	**0**	**0**	**0**	**0**	**0**	**0**	**15**	**17**	**16**
Total Full Time Positions	0	0	0	0	0	0	5	4	4
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL CPRA ADMINISTRATION 6110	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**4**	**4**
Total Full Time Positions	0	0	0	0	0	0	0	0	0
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL CPRA Recreation	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Full Time Positions	0	0	0	0	0	0	7	8	8
Total Part Time Positions	0	0	0	0	0	0	11	75	68
TOTAL CPRA Athletic 6130	**0**	**0**	**0**	**0**	**0**	**0**	**18**	**83**	**76**
Total Full Time Positions	0	0	0	0	0	0	15	15	13
Total Part Time Positions	0	0	0	0	0	0	1	4	2
TOTAL CRPA MAINTENANCE 6220	**0**	**0**	**0**	**0**	**0**	**0**	**16**	**19**	**15**
Total Full Time Positions	0	0	0	0	0	0	2	2	2
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL PROJECTS ENGINEERING	**0**	**0**	**0**	**0**	**0**	**0**	**2**	**2**	**2**
Total Full Time Positions	0	0	0	0	0	0	2	2	2
Total Part Time Positions	0	0	0	0	0	0	0	0	0
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT	**0**	**0**	**0**	**0**	**0**	**0**	**2**	**2**	**2**

Note: The chart above reflects budgeted positions to include filled and vacant.

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Human Resources											
	New hires	202	289	159	230	244	256	286	111	88	289
	Terminations	127	146	223	185	192	202	309	158	199	204
	Employees eligible for health insurance plan	*	986	998	1,010	1,046	1,135	1,191	1,184	1,111	956
	Applications received	*	*	*	820	1,000	1,000	1,859	1,243	2,024	1,145
	Training classes conducted	*	*	6	2	9	2	8	8	7	8
	Insurance products offered	*	6	9	10	10	10	10	10	10	10
	% Total turnover	12%	12%	19%	16%	16%	15%	12%	1033%	14%	12%
	Exit interviews/COBRA	*	1,116	125	155	154	152	172	32	21	134
	Interviews conducted	*	*	*	400	500	500	500	**	**	**
Tax Commissioner											
Tax Assessor											
	Real property parcels	67,529	70,870	75,000	79,960	85,285	93,750	94,979	94,979	95,285	95,610
	Personal property acct.	12,071	16,690	13,193	12,015	11,820	12,050	12,645	11,599	12,051	12,667
	Mobile homes	3,690	3,660	3,618	3,577	3,449	3,134	3,047	3,040	2,991	2,938
	Real property field reviews	20,000	14,400	14,430	20,670	26,000	30,000	33,000	21,856	25,600	20,026
	Personal property audits	225	250	306	3,495	250	200	425	504	42	6
	Mobile home reviews	3,690	3,660	3,618	3,577	3,449	3,134	3,047	3,040	2,991	2,938
	New construction permits	2,210	2,242	2,342	2,880	2,860	2,000	1,000	485	486	373
	Assessment notices mailed	71,200	74,300	78,700	83,730	88,830	97,700	99,500	99,547	99,667	101,480
	Appeals processed	2,115	1,344	1,455	1,465	1,467	5,000	5,000	3,022	2,763	2,800
Finance											
	Interest earned (in 1000's)	*	$832	$627	$771	$2,376	$2,597	$1,287	$361	$183	$54
	Accounts payable checks issued	*	16,504	19,293	17,179	17,926	18,584	22,225	19,010	18,518	17,705
	Payroll checks issued	*	11,222	10,021	9,288	8,782	14,560	8,322	7,370	7,848	6,485
	Payroll direct deposits issued	*	23,757	24,883	23,638	27,754	36,400	37,700	28,978	29,108	27,893
	Budget adjustments/amendments	*	368	362	197	276	175	429	88	64	82
Mapping/GIS											
	Total number of parcels	*	*	*	*	89,204	93,252	93,968	94,240	94,456	94,593
	Number of parcels added	*	*	*	*	*	4,048	746	272	216	140
Property Management											
Information Technology											
	File servers maintained	*	*	*	55	66	70	74	75	79	86
	PC's maintained	*	*	*	1,050	1,232	1,260	1,270	1,270	1,275	1,305
	Terminals maintained	*	*	*	1	1	1	1	1	***	0
	Peripherals maintained	*	*	*	900	928	940	920	900	925	955
	Help desk calls received	*	*	*	4,100	4,550	2,150	2,212	2,450	2,474	2,497
	PC installations	*	*	*	230	161	90	75	70	***	65
	Uptime availability - major application servers	*	*	*	91%	92%	92%	91%	90%	97%	96%
	Help desk calls handled by in-house staff	*	*	*	99%	99%	99%	99%	99%	96%	95%
	Help desk calls closed within one hour	*	*	*	45%	46%	47%	45%	45%	***	40%
	Help desk calls closed within 24 hours	*	*	*	45%	47%	50%	48%	47%	46%	55%
Court Administrative Services											
Superior Court											
	Total Criminal Dockets	*	*	*	2,119	2,020	2,749	*	1,296	1,280	1,193
	Total Criminal Defendants	*	*	*	2,311	2,246	3,011	*	145	146	1,354
	Total Felony Dockets	*	*	*	1,073	1,030	1,447	*	917	1,016	987
	Total Felony Defendants	*	*	*	1,284	1,249	1,707	*	1,056	1,183	2,183
	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	206
	Criminal Misdeamenor Defendants	*	*	*	526	576	0	*	269	202	211
	Criminal Unified Appeals	*	*	*	1	0	0	*	0	0	0

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Criminal Probation Revocation	*	*	*	832	767	645	*	746	696	775
	General Civil Cases Filed	*	*	*	956	1,298	1,707	2,341	2,284	1,293	956
	Domestic Relations Cases Filed	*	*	*	2,439	2,294	2,168	2,210	2,129	2,348	2,367
	Total Civil Cases Filed	*	*	*	3,395	3,592	3,875	4,551	4,413	3,641	3,323
	Deeds - Documents Filed	*	*	*	*	*	*	*	*	35,213	35,292
	Deeds - Images Filed	*	*	*	*	*	*	*	*	182,539	191,359
	Leins Filed	*	*	*	*	*	*	*	*	22,488	21,620
	Total UCC Filed	*	*	*	*	*	*	*	*	2,202	2,396
	Trade Names Filed	*	*	*	*	*	*	*	*	372	529
Pre-Trial Services/Indigent Defense											
Juvenile Court											
	Filed	*	615	627	695	780	787	796	929	788	777
	Disposed	*	483	625	815	758	812	790	857	828	779
	Open	*	460	460	338	357	328	335	268	256	244
	Unruly	*									
	Filed	*	304	343	312	365	323	278	163	231	286
	Disposed	*	221	339	355	359	346	300	160	238	280
	Open	*	191	196	154	161	142	151	58	61	72
	Termination of Parnetal Rights	*									
	Filed	*	15	13	63	29	42	31	25	27	23
	Disposed	*	22	8	72	24	31	39	19	21	19
	Open	*	10	15	25	30	31	22	17	22	18
	Traffic	*									
	Filed	*	542	548	444	474	414	307	282	231	268
	Disposed	*	533	536	441	500	380	317	276	225	270
	Open	*	177	188	185	157	192	153	61	56	53
	Deprived	*	*	*	*	*	*	*	369	291	339
	Filed	*	*	*	*	*	*	*	300	234	314
	Disposed	*	*	*	*	*	*	*	186	203	186
	Open	*	*	*	*	*	*	*	0	0	0
	Special Proceedings	*	*	*	*	*	*	*	38	*	31
	Filed	*	*	*	*	*	*	*	30	*	21
	Disposed	*	*	*	*	*	*	*	20	*	28
	Open	*	*	*	*	*	*	*	0	0	0
	TOTAL	*	*	*	*	*	*	*	1,806	*	1,724
	Filed	*	*	*	*	*	*	*	1,642	*	1,672
	Disposed	*	*	*	*	*	*	*	610	*	601
	Open	*	*	*	*	*	*	*	0	0	0
District Attorney											
	Cases Opened	1,501	1,739	1,973	2,123	2,186	1,493	2,323	1,392	2,154	2,294
	Cases Indicted	1,044	1,109	1,567	1,464	1,264	1,444	859	1,298	1,286	863
	Juvenile Cases	1,837	1,460	1,099	1,454	1,619	1,513	2,161	1,779	1,606	1,724
State Court											
	Landlord Tenant/ Dispossessory	*	*	*	*	*	10	23	18	19	6
	All Other Civil	*	*	*	*	*	2,709	3,633	3,995	3,333	1,907
	Serious Traffic	*	*	*	*	*	630	1,059	1,044	886	928
	Non-Traffic Misdemeanors	*	*	*	*	*	2,304	2,581	1,709	1,719	2,023
	Probation Revocations	*	*	*	*	*	292	385	512	449	472
	All Other Traffic	*	*	*	*	*	20,620	13,843	9,636	8,122	10,709
Probate Court											
	Marriage Licenses Issued	*	*	1,057	1,664	1,159	1,112	1,081	960	1,010	1,037
	Firearm Licenses Issued	*	*	1,186	1,014	1,040	995	2,466	3,064	2,195	2,237

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Probate Filings	*	*	1,353	1,379	1,200	1,321	1,417	1,536	1,954	1,986
	Mental Health Proceedings	*	*	92	84	62	27	34	37	39	40
Magistrate Court											
	Felony arrest	*	*	2,925	3,074	2,836	2,722	*	2,808	2,821	1,957
	Misdemeanor arrest	*	*	2,534	2,852	3,152	3,167	*	3,892	3,180	2,635
	Search warrants	*	*	418	541	498	544	*	661	639	551
	Warrant application hearings	*	*	380	337	251	212	*	170	268	188
	First appearance bond hearings	*	*	5,258	6,286	6,107	6,189	*	2,412	3,793	3,423
	Commitment hearings	*	*	185	267	142	177	*	147	158	260
	Ordinance violations	*	*	380	672	771	628	*	930	858	325
	Claims cases	*	*	3,089	1,950	2,281	2,158	*	2,917	3,552	5,996
	Dispossessories	*	*	2,665	2,825	2,848	2,963	*	2,879	3,133	4,493
	Garnishments	*	*	267	277	258	321	*	287	270	399
	Foreclosures	*	*	233	57	45	69	*	68	52	18
	Abandoned	*	*	1,136	917	1,208	941	*	648	872	499
Law Enforcement											
	Physical Arrests	4,077	3,130	3,312	3,637	5,673	4,640	*	5,958	5,405	5680
	Traffic Violations	18,454	14,521	14,182	14,278	14,705	16,786	*	10,152	9,442	10,709
	Sheriff Dispatches	98,600	148,400	191,923	207,832	214,000	196,669	*	188,748	180,891	144,253
Code Enforcement											
	Complaints	*	5,797	4,987	5,040	13,487	3,172	4,113	4,516	3,958	2,950
	Warnings	*	2,855	3,181	2,866	6,070	1,897	2,358	2,649	2,094	1,408
	Re-Inspections	*	2,912	3,917	2,485	6,896	1,463	2,250	3,070	2,649	1,712
	Unfounded	*	417	348	342	580	385	429	457	527	501
	N.A.T.	*	439	1,020	1,111	3,868	471	653	777	982	660
	Corrected	*	2,745	3,212	1,766	5,868	1,697	2,344	2,811	2,811	1,640
	Citations	*	334	281	395	317	302	338	351	351	216
Animal Control											
	Complaints	*	4,404	5,252	4,798	5,036	4,998	3,317	6,218	5,209	4,542
	Warnings	*	761	786	1,332	1,095	1,223	1,022	1,269	1,013	949
	Re-Inspections	*	18	15	4	15	254	268	263	287	209
	Unfounded	*	1,193	1,316	1,248	1,443	740	613	1,090	1,352	1,260
	N.A.T.	*	1,069	1,243	610	702	558	413	655	716	549
	Corrected	*	1,819	1,847	1,854	1,700	2,624	2,346	3,337	1,736	1,611
	Citations	*	155	168	217	305	424	452	507	828	434
	Animals impounded	*	2,772	2,224	1,837	2,242	2,161	2,231	2,176	2,193	1,650
Emergency Management Agency											
	EOC activations	*	12	15	15	15	13	27	9	11	17
	Total hours EOC activated	*	215	308	427	83	103	469	538	237	501
	Weather related damage (in millions)	*	*	5	6	2	1	49	57	0	20
Planning and Zoning											
	Rezone cases	*	*	*	72	102	*	*	19	21	14
	Zoning board of appeals cases	*	*	*	87	56	*	*	16	21	12
	Sign permits	*	*	*	136	256		*	90	101	66
	Minor subdivision plat	*	*	*	181	225	184	*	109	90	2
	Telecommunications towers	*	*	*	27	18	26	*	21	***	87
	Other/copies	*	*	*	85	39	*	*	*	70	0
Building Inspections											
	Building Inspections Requested	*	*	*	*	*	14,902	8,627	6,096	*	5,795
	Building Inspections Conducted	*	*	*	*	*	14,872	8,481	6,096	228	5,795
	Single-Family building permits	1,774	1,749	1,953	1,861	1,664	1	520	210	228	228
	Miscellaneous permits	*	*	*	209	701	934	1,220	1,238	838	1,260
	Additions	275	343	311	153	330	457	457	274	240	381
	Accessory structures	221	234	267	128	171	73	112	57	137	33

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Manufactured home permits	*	*	51	22	24	28	29	10	25	14
	Commercial plan reviews	*	*	62	202	288	337	376	218	0	221
	Commercial building permits	*	*	55	126	207	126	101	189	20	109
Business License											
	New business licenses	*	*	*	1,627	1,924	1,589	1,358	1,262	1,096	1,168
	Business license renewals	*	*	*	5,277	5,379	6,041	5,748	5,812	5,425	4,283
	Other licenses	*	*	*	39	25	27	21	*	*	*
	Solicitors	*	*	*	33	29	20	7	6	38	27
Development Center											
	Residential certificates of occupancy	*	*	*	1,606	1,810	1,449	979	537	417	368
	Commercial certificates of occupancy	*	*	*	85	88	153	284	291	219	267
	Customers assisted at counter	*	*	*		7,819	6,001	3,886	**	**	10,000 (1)
	Erosion control permits issued	*	*	2,211	2,328	2,425	1,745	86	65	45	54
	Erosion control re-inspection fees	*	11,600	3,575	11,050	12,079	6,864	2,375	**1,950	1,000	0
	Land disturbance permits issued	*	*	133	129	158	108	66	38	19	48
	NPDES fees collected	*	*	73,258	56,272	46,782	19,094	13,251	5,171	7,830	957
	Development plan review	*	*	*	415	579	412	*	*	70	48
Engineering											
	Erosion control non-compliance issued	*	*	516	1,768	2,059	870	399	240	120	124
	Erosion control stop work order issued	*	*	75	512	407	130	87	72	31	36
	Erosion control complaints	*	*	*	161	169	165	251	316	22	192
	County maintained traffic signals	*	*	39	42	45	49	51	53	53	53
	School flashers maintained	*	*	15	15	15	15	16	16	16	17
Roads and Bridges											
	Standard-width roads resurfaced	*	32	29	25	9	15	*	75	10	14
	As-is roads resurfaced	*	6	5	6	4	14	*	0	1	8
	DOT LARP resurfaced	22	41	35	41	37	14	*	57	41	17
	Unpaved roads paved	*	*	*	5	3	3	*	4	2	2
	Roads widened w/asphalt	*	*	*	24	17	15	*	10	4	5
	Number of work orders recorded	*	*	*	1,630	1,244	1,221	*	1,525	1,401	1,375
	Number of work orders completed	*	*	*	1,384	987	1,093	*	1,296	1,225	1,174
	Percentage of work orders completed	*	*	*	0.85	0.79	0.89	*	0.85	0.87	0.85
Community Services											
	Home Rehabilitation Program:										
	Number of Applications	*	7	20	6	9	14	6	22	21	10
	Homes Rehabilitated	*	7	10	3	7	7	1	1	5	6
	Funds Expended	*	172,326	180,000	78,840	120,000	161,015	23,525	25,120	134,572	190,295
5311	Number of Vehicles	*	*	11	11	12	12	12	12	12	12
	Average Contract Passengers	*	*	34,518	35,002	36,000	37,200	37,742	36,900	40,496	58,012
	Point of Service Revenue	*	*	*	161,565	177,721	489,076	316,800	152,630	311,186	346,510
	Average # Trips	*	*	*	70,000	72,100	74,400	52,000	58,600	59,262	58,012
5307	Number of Vehicles	*	*	9	13	16	14	14	14	12	11
	Avg # Annual Passengers	*	*	*	155	185	182	51,000	305	151	150
5307A	Number of Vehicles	*	*	*	*	4	4	2	2	3	3
	Average # of Trips	*	*	*	*	*	*	7,800	20,030	23,704	27,208
Voter Registration/Elections											
	Precinct locations	*	45	45	45	45	45	45	45	44	43
	Advance voting locations	*	0	1	2	4	1	5	1	5	2
	Voting units	*	556	607	607	607	607	607	607	607	607
	Express poll	*	0	0	96	96	96	104	104	104	104
	Elections conducted - County	*	2	6	2	4	1	5	2	2	6
	Elections conducted - City	*	*	*	*	*	*	*	*	*	5

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Total registered voters	*	92,447	103,028	102,604	115,464	112,000	119,024	129,056	133,298	136,239
	Campaign disclosures	*	87	143	71	151	73	203	78	105	***
	Poll worker training sessions	*	1	30	2	43	2	30	10	17	12
	Poll workers trained	*	18	721	20	738	10	1,120	9	932	341
	Voter awareness sessions	*	0	0	0	2	0	3	1	0	0
	Voter registration drives	*	*	*	*	*	*	*	*	*	6
	Voter registration drives training	*	*	*	*	*	*	*	*	*	1
	School elections	*	*	*	*	*	*	*	*	*	7
	Poll worker meet & greets	*	*	*	*	*	*	*	*	*	1
	Voter turnout (avg %)	*	15.79%	41.18%	18.00%	45.00%	6.45%	79.70%	6.82%	58.92%	16.06%
	Address/Name & Other Changes	*	*	*	*	*	*	*	*	*	4127
	Confirmation Notices	*	*	*	*	*	*	*	*	*	680
	Duplicate Voter Registration Applications	*	*	*	*	*	*	*	*	*	4,210
	Voter Registration Applications	*	*	*	*	*	*	*	*	*	4,277
	Transfers	*	*	*	*	*	*	*	*	*	3,816
	Provisionals	*	*	*	*	*	*	*	*	*	6
	Petitions	*	*	*	*	*	*	*	*	*	0
	Voters	*	*	*	*	*	*	*	*	*	37,512
	Absentee	*	*	*	*	*	*	*	*	*	4,814
	Felons - Deleted	*	*	*	*	*	*	*	*	*	110
	Felons - Hearings	*	*	*	*	*	*	*	*	*	48
	Deaths - Deleted	*	*	*	*	*	*	*	*	*	1,185
	Moved - Out of County/State	*	*	*	*	*	*	*	*	*	3,217
	Voters Deleted for No Activity	*	*	*	*	*	*	*	*	*	3,644
	DOJ Submissions	*	*	*	*	*	*	*	*	*	1
Recycling Center											
	Recycling revenue	*	75,824	91,298	116,150	123,262	201,351	205,185	57,150	43,082	40,338
	Recycled materials in tons	*		1,889	1,956	1,400	2,087	*	122	936	916
Emergency 911											
	All calls	*	321,884	379,747	382,627	385,627	388,659	388,659	408,715	336,103	331,736
	Inbound calls	*	227,827	271,412	278,444	278,129	286,016	286,016	331,091	251,941	252,449
	Outbound calls	*	94,057	108,335	104,183	107,498	102,643	102,643	77,624	84,162	79,314
	Dispatched calls for police	*	162,301	176,682	194,734	215,548	211,710	211,710	213,911	213,972	198,735
	Dispatched calls for fire	*	14,683	16,826	19,518	21,461	18,989	18,989	19,397	19,407	20,647
	Average time to answer - E911 calls (in sec)	*	*	*	*	6	5	5	5	6	6
	Average time to answer - other calls (in sec)	*	*	*	*	6	5	5	5	5	5
	Call volume 0700hrs - 1900hrs	*	*	*	*	32%	34%	66%	65%	62%	65%
	Call volume 1900hrs - 0700hrs	*	*	*	*	68%	66%	34%	35%	35%	35%
Senior Services											
	Home Delivered Meals	*	*	*	*	36,121	31,082	31,615	50,241	45,609	46,184
	Alzheimer respite	*	*	*	*	628	570	536	775	1,814	1,784
	Congregate meals	*	*	*	*	9,750	11,052	11,194	10,295	10,637	11,034
	Homemaker	*	*	*	*	3,088	3,442	3,660	3,353	2,415	2,477
	Transportation - regular	*	*	*	*	8,784	8,138	9,406	9,727	9,291	9,942
	Transportation - voucher	*	*	*	*	382	1,287	3,557	3,341	2,377	2,176
	Caregiver program - group	*	*	*	*	12	22	14	20	21	484
	Volunteer services and training	*	*	*	*	10,500	10,025	10,650	12,000	12,000	12,000
	Case management	*	*	*	*	2,596	4,260	4,054	3,031	2,581	1,984
	Information and referral	*	*	*	*	8,087	8,708	8,322	2,516	2,880	3,525
	Senior recreation group	*	*	*	*	*	*	*	*	*	413
	Volunteer aging council referrals	*	*	*	*	25	28	36	32	31	20
Animal Services											
	Received	*	6,275	6,064	5,703	5,886	6,541	6,248	6,414	5,691	5,369
	Adopted	*	1,802	1,690	1,419	1,337	1,546	1,257	1,246	1,159	1,565
	Returned to owner	*	580	486	557	594	563	514	479	441	453

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Sent to rescue	*	557	647	676	1,043	889	841	869	933	341
	Escaped	*	30	21	0	10	4	4	3	3	4
	Euthanized	*	3,213	3,120	2,959	2,644	2,998	3,601	3,701	2,834	2,907
	Died in Shelter/DOA	*	30	26	31	122	107	125	41	201	93
	Stolen	*	4	2	0	0	0	0	0	0	0
	Emergency Clinic	*	59	72	40	0	0	0	0	0	0
	Foster	*	*	*	*	3	11	2	0	1	0
	Owner Authorized Euthanized	*	*	*	21	3	13	3	0	80	93
DUI Court											
	Persons Screened	*	*	*	323	997	835	761	737	664	665
	Persons Eligible from Initial Screening	*	*	*	78	208	160	127	124	106	117
	Persons Entered Into Treatment Court	*	*	*	26	96	82	86	60	67	72
	Persons Graduated From Treatment Court	*	*	*	*	57	60	70	47	46	40
Fire											
	Emergency Responses	7,894	11,511	15,227	15,800	16,310	17,141	16,537	16,281	17,604	19,215
	Fires Extinguished	504	458	570	584	740	744	560	466	541	580
	Rescue	109	82	36	33	20	11	26	43	29	34
	Hazardous Condition	646	668	876	821	899	1,138	1,092	934	778	992
	Service Call	589	678	653	587	667	668	600	627	761	935
	Good Intent/False Call	1,902	1,791	1,987	2,144	2,330	2,401	2,372	2,265	2,455	2,619
	Other	146	182	262	318	298	423	390	340	423	724
	Fire Investigations	*	99	117	120	121	91	112	97	107	76
	Inspections	*	*	*	*	1,389	1,492	1,371	1,322	1,593	712
	Plans Reviews	*	*	*	*	900	1,057	754	763	580	304
	Fire Prevention/No. 5th grade students	1,660	1,681	1,694	1,783	2,126	2,780	2,803	1,280	2,215	2,586
	Fire Prevention/No. Kindergarden students	2,048	2,081	2,162	2,434	2,838	3,054	2,908	2,853	1,698	488
	Internal investigations	*	*	*	*	*	*	*	*	*	12
	Background investigations	*	*	*	*	*	*	*	*	*	369
Emergency Medical Services											
	EMS Dispatches	3,902	7,554	10,782	11,243	11,252	11,756	11,497	11,606	11,010	13,331
Fleet Maintenance											
	Repair orders processed	*	4,552	5,556	5,844	5,796	4,896	5,575	4,718	4,726	4,316
	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	2,213
	Medium duty vans/squads maintained	*	*	*	200	260	445	507	1,233	1,229	1,148
	Heavy duty truck/equipment maintained	*	*	*	200	208	301	321	1,326	1,325	955

* 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

(1) The County's new software now has the ability to track customers served. Additionally, in the County's new buidling, erosion permits, development permits and business license are all served at the development center.

CHEROKEE COUNTY, GEORGIA

CAPITAL ASSETS BY FUNCTION
LAST NINE FISCAL YEARS

Function/Program		2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental										
	Buildings/Land	7	7	7	11	18	19	23	22	22
	Vehicles	21	21	21	21	27	29	30	32	31
Judicial										
	Buildings/Land	1	1	1	1	1	1	1	1	1
	Vehicles	15	17	18	17	18	20	19	21	19
Sheriff/Law Inforcement										
	Buildings/Land	7	9	9	9	10	10	11	11	11
	Vehicles	220	221	227	227	261	258	274	281	261
Fire/EMA										
	Fire Stations/Land	18	19	19	19	19	19	20	21	20
	Vehicles	55	56	58	56	58	60	58	78	79
	Pumpers/Tankers	35	36	37	36	37	38	40	40	38
Animal Shelter/Animal Control										
	Building/Land	2	2	2	2	2	2	2	2	2
	Vehicles	8	8	9	10	8	8	8	8	8
Public Works										
	Buildings/Land	8	9	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	1,283
	Traffic Signals	34	37	43	48	47	51	52	52	52
	Bridges/Culverts	68	68	68	69	69	69	70	70	70
	Vehicles	54	56	60	65	71	70	64	65	64
	Machinery & Equipment	54	58	60	61	65	63	60	59	56
Health Welfare										
	Buildings/Land	3	3	3	3	3	3	3	3	3
	Vehicles	0	1	1	1	19	18	18	4	6
Culture/Recreation										
	Buildings/Land	10	13	13	13	13	23	33	61	57
Code Enforcement										
	Buildings/Land	3	4	4	4	5	5	3	3	3
	Vehicles	18	18	18	20	21	21	19	18	17
Environmental Health										
	Vehicles	0	0	2	4	2	2	2	2	2

Information is not available prior to 2003

Source: Cherokee County Finance Department