CHEROKEE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE NINE MONTH PERIOD ENDED
SEPTEMBER 30, 2012

Prepared by:
Finance Department

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

CHEROKEE COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012

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I. INTRODUCTORY SECTION

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

March 29, 2013

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 2012 Comprehensive Annual Financial Report (CAFR), is published to fulfill that requirement for the nine (9) month period ended September 30, 2012.

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 nine (9) month period ended September 30, 2012. 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 façade was created in 1927 for the Cherokee County courthouse. A much larger courthouse was built in 1994, but the County still uses the beautiful historic courthouse to house smaller departments.

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 Board of Commissioners
1130 Bluffs Parkway | Canton, GA 30114

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 225,000, 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 approved 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.

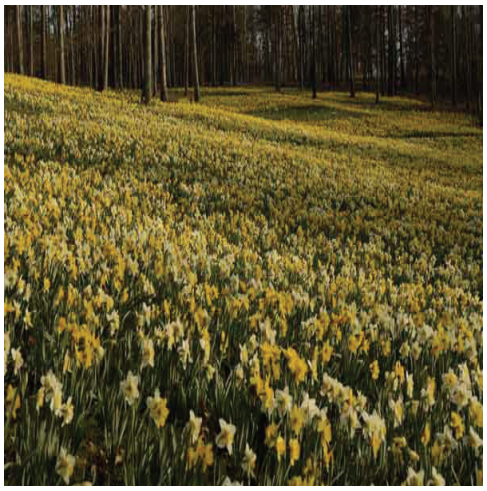
In addition to the county's natural beauty and recreation, Cherokee County is one of Georgia's most exciting markets. Cherokee County offers a well-educated and well-equipped workforce, exceptional transportation, and a host of financial incentive programs necessary for sustainable, long-term growth. For professionals and their families, Cherokee County offers a diverse range of housing, impressive healthcare, excellent education (in 2012 the Cherokee County School District was ranked #1 for SAT scores in the State of Georgia), low property taxes, and cultural opportunities 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



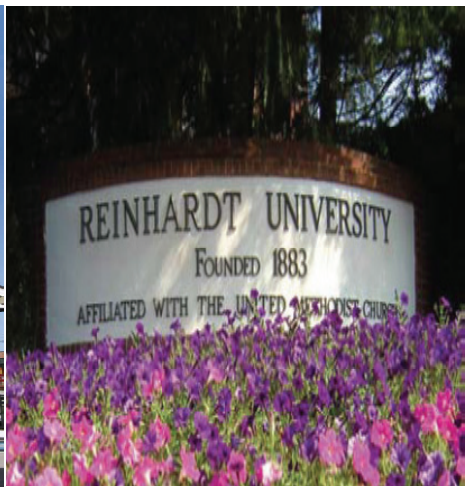
Downtown Woodstock



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.

The Board serves as the legislative and policymaking body of the county government. It enacts county ordinances and appropriates funds to conduct county business and provides policy direction to the administrative staff.



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

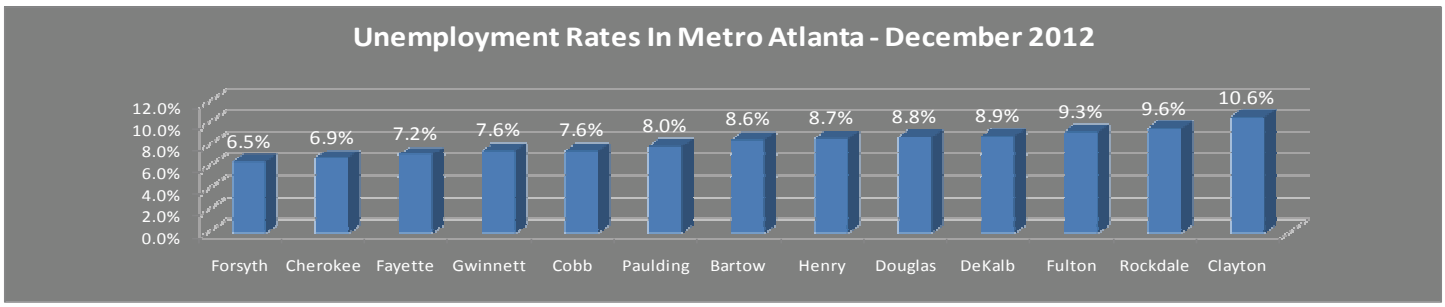
The County Manager works closely with the Board to assist them in developing policies and programs. Overseeing all county employees, the manager is responsible for the efficient ongoing operation of all county services. Cherokee County provides services to approximately 225,000 citizens and 6,000 businesses. Included in these services are traditional county functions such as public safety (sheriff office, fire protection, and emergency/ambulance 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 separate legal entity for which the primary government is financially accountable. The Cherokee County Department of Public Health, the Cherokee County Development Authority, the Development Authority of Cherokee County, and the Sequoyah Regional Library System are all included as discretely presented component units in the financial statements.

Local Economy

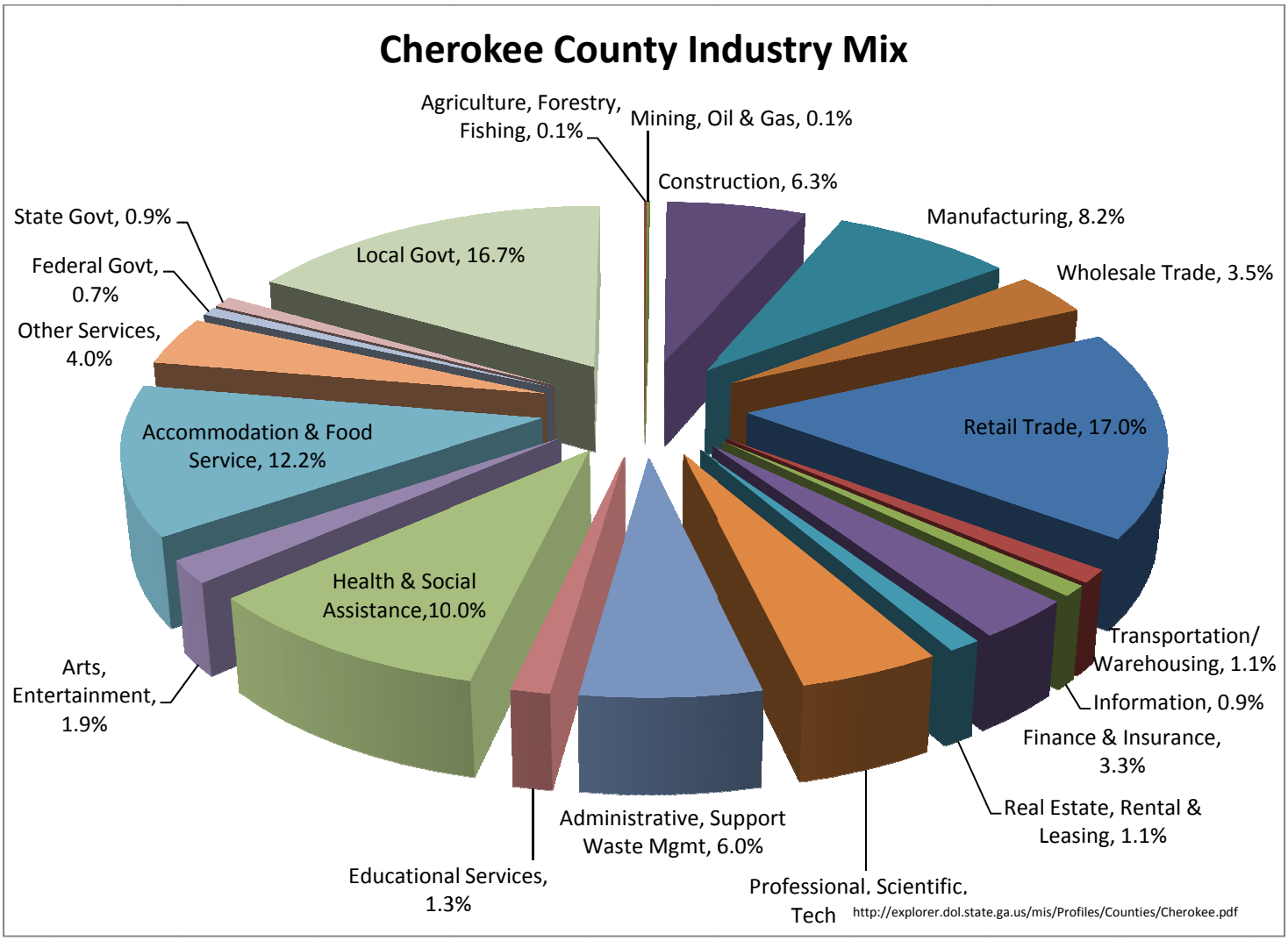
UNEMPLOYMENT

At the end of 2012, Cherokee County's jobless rate was 6.9%; this was the second lowest in the metro-Atlanta region and the 11th lowest of the 159 counties in the state of Georgia. The statewide unemployment rate was 8.7%



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 height of Cherokee's growth in 2008, the construction industry represented 13.9% of the mix; however, in 2011 it was only 6.3%. *(Note: As of the date of this letter, the Georgia Department of Labor has not published updated figures for 2012.)*

Fortunately, the county has experienced some recovery in the issuance of building permits. While the County's peak was 3,358 issued in 2007, and dropped to a low of 1,963 in 2009, the county recovered to 2,455 in 2012. We believe this is a sign of economic recovery and we will again experience positive growth and a return of construction jobs. In fact, for FY2013 we are on pace to issue ~ 2,900 permits which is on par with 2008 levels. In addition, currently there are several significant new developments in the county requiring construction in the short term, which will generate new jobs and more visitors (driving more sales tax dollars and new property tax assessments), in the long term.

RECENT/UPCOMING DEVELOPMENT

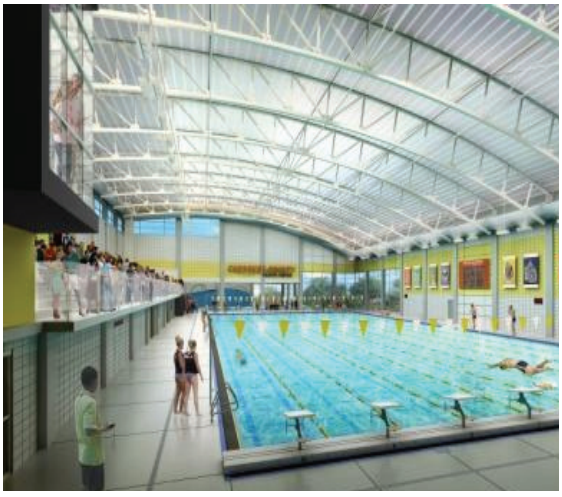
Cherokee County Aquatic Center

The Parks, Recreation and Greenspace Bond was successfully approved by the citizens of Cherokee County on the November 4, 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 greenspace 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 overlooking the pool. 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 scheduled to open in April 2013.



In addition to affordable recreation for residents, and the ability to support local area 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 hosted 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. Gary J. Skoien, Horizon's President and CEO announced the center is scheduled to open in July 2013, and the center will initially be over 90% leased, featuring popular brands such as: Saks Fifth Avenue OFF 5th, White House|Black Market, Guess, Under Armour, Talbots, Puma, Michael Kors, Cole Haan, Le Creuset, and Levis.



The facility will feature covered walkways, landscaped courtyards, a children's play area, a center court with fountains and fireplaces, and seven outparcels 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. Given the project design, construction progress, and strong leasing activity, this project won the Retail Deal of the Year Award in Atlanta Business Chronicle's 2012 Best in Atlanta Real Estate Awards.

New Northside Hospital Medical Facility

In order to address capacity constraints caused by the growing population, 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 and small business offices towards the front of the property, and 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 experienced positive 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

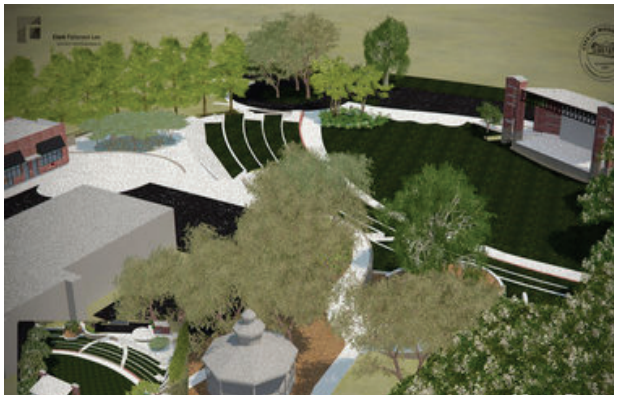


Gibbs Gardens, privately owned and located in Ballground, officially opened to the public in March 2012. The 300 acre estate offers visitors the opportunity to enjoy 15 million daffodils (the largest daffodil display in the United States), a 40 acre authentic Japanese garden, 140 varieties of water lilies, 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 people, 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 covered bandstand. 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 2014 and is expected to be completed in 8 months. 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 more qualified candidates, train new employees faster, and reduce turnover, all 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 (metro-Atlanta)
- Lowest governmental expenditures per capita in 10-County ARC Region
- Second 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"
- Cherokee County's website has earned an "A+" rating from the Sunshine Review for having one of the most transparent government websites – only 247 of the more than 7,000 government websites earned a Sunny Award
- 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

Change in Fiscal Year

In 2012 the County converted from a calendar year-end to a September 30 fiscal year-end. We believe changing the fiscal year is important for transparency and proper budget management. Having a December 31 fiscal year-end reflects, on paper, a "cash rich" appearance since the majority of our property tax revenue is collected when bills are due December 20th. However, the fact that the cash collected in December of one year is used to fund the services and operations of the *following year* is not always clear to the reader of financial statements. In fact, a reader may question whether the millage tax rate is too high since such significant cash balances are reported. Changing the fiscal year-end to September 30 will allow the County to better represent its available cash since the revenue will fund the same year's expenditures.

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, should revenue be significantly less than budget, it may be too late for County management to implement budget changes and avoid an operating deficit. Beginning in fiscal year 2013 (which began October 1, 2012), we will receive property taxes near the beginning of our fiscal year; therefore, if revenue is below projections the County can implement changes earlier and avoid operating deficits.

Changing the fiscal year will also alter the timing of our annual budget process so the Finance Team has more complete information about the following year's budget requirements before the millage rate is set in July.

Current Period Results

Due to a very rigorous budget process and commitment from every County employee, we were able to report County-wide expenditures less than budget. Specifically for the General Fund, expenditures were less than budget by nearly $1.3 million. This positive variance was driven primarily by attrition and tight management of vacant positions ($0.5 million), postponing maintenance/replacement operating expenditures unless detrimental to our services ($0.4 million), and delayed settlement of workers' compensation claims ($0.2 million, but temporary/timing variance only).

Our reported revenue is less than budget, but this was only due to an accounting change; it did not impact cash. When we prepared the FY2012 Budget, we assumed the property taxes billed in September 2012 and collected in October and November 2012, would be accrued back into the 2012 fiscal year. However, after discussions with our auditors, we determined that because one of the main reasons we changed our fiscal year was to align revenues in the year expenditures would be funded, we instead recognized these property tax receipts as revenue in fiscal year 2013. The County still *received* the cash for the property tax payments, it was only *recorded as revenue* in FY 2013 to accommodate this accounting change. Had we not completed this accounting change, the following funds would have exceeded their revenue budgets: General Fund +$1.9 million, Fire Fund +$0.2 million, and Debt Service Fund +$0.1 million; therefore on a combined basis actual revenues would have exceeded the budget by nearly $3.3 million. Given the decrease in many revenue sources 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 chart on the following page reflects budget performance by fund. Please note that while some funds have negative revenue variances, in most cases these were offset by positive expenditure variances (the reverse is also true). The last column of the chart reflects the final net impact to the fund and is most important to understanding the county's use and conservation of financial resources.

CHEROKEE COUNTY BOARD OF COMMISSIONERS
2012 RESULTS BY FUND

	REVENUES/FUNDING SOURCES			EXPENDITURES/FUNDING USES			NET IMPACT
	2012 Current Funding Sources Budgeted	2012 Current Funding Sources Actual	Revenue Variance Better/(Worse)	2012 Final Budget	2012 Actual	Expenditure Variance Better/(Worse)	Net Better/(Worse)
GENERAL	$16,469,557	$15,468,590	($1,000,967)	$42,535,154	$41,285,520	$1,249,634	$248,667
LAW LIBRARY	$105,610	$100,029	($5,581)	$105,610	$76,863	$28,747	$23,166
SHERIFF FORFEITURES	$131,965	$189,307	$57,342	$131,965	$95,801	$36,164	$93,506
E911 TELEPHONE	$2,751,620	$2,874,164	$122,544	$3,128,867	$2,917,565	$211,302	$333,846
SENIOR SERVICES	$875,133	$871,483	($3,650)	$875,133	$819,162	$55,971	$52,321
PARKS AND RECREATION	$2,075,879	$2,133,853	$57,974	$2,292,693	$2,280,754	$11,939	$69,913
INSURANCE PREMIUM TAX	$6,939,650	$7,465,759	$526,109	$4,857,301	$4,641,886	$215,415	$741,524
TRANSPORTATION	$938,583	$744,534	($194,049)	$938,583	$715,799	$222,784	$28,735
MULTIPLE GRANTS	$511,043	$453,235	($57,808)	$511,129	$386,657	$124,472	$66,664
CDBG	$2,092,046	$1,169,367	($922,679)	$2,092,046	$1,163,934	$928,112	$5,433
ANIMAL SERVICES	$751,619	$720,908	($30,711)	$751,619	$688,365	$63,254	$32,543
DA's CONDEMNATION	$11,250	$9,147	($2,103)	$30,000	$3,176	$26,824	$24,721
DRUG ABUSE & TRMT	$126,965	$105,254	($21,711)	$141,965	$84,111	$57,854	$36,143
VICTIM/WITNESS	$147,450	$152,530	$5,080	$158,445	$150,448	$7,997	$13,077
DUI COURT	$327,608	$412,133	$84,525	$327,608	$327,608	$0	$84,525
FIRE ADMIN	$4,363,195	$3,259,384	($1,103,811)	$13,220,942	$12,128,052	$1,092,890	($10,921)
JAIL FUND	$319,950	$300,270	($19,680)	$996,039	$935,104	$60,935	$41,255
SHERIFF'S COMMISSARY	$225,045	$185,168	($39,877)	$225,045	$165,846	$59,199	$19,322
CONFISCATED ASSETS	$85,770	$85,799	$29	$188,206	$188,206	$0	$29
HOTEL/ MOTEL TAX	$88,850	$107,240	$18,390	$88,850	$107,240	($18,390)	$0
RRDA	$912,545	$912,544	($1)	$1,216,343	$1,231,832	($15,489)	($15,490)
CONFERENCE CENTER	$252,400	$351,860	$99,460	$271,253	$264,837	$6,416	$105,876
EMERGENCY MEDICAL SERVICES	$4,905,684	$6,412,617	$1,506,933	$5,041,844	$5,516,951	($475,107)	$1,031,826
INSURANCE AND BENEFITS	$7,440,615	$7,973,418	$532,803	$7,503,018	$7,360,248	$142,770	$675,573
FLEET MAINTENANCE	$1,154,090	$1,122,269	($31,821)	$1,203,090	$1,117,916	$85,174	$53,353
TOTAL OPERATING	**$54,004,122**	**$53,580,862**	**($423,260)**	**$88,832,748**	**$84,653,881**	**$4,178,867**	**$3,755,607**
DEBT SERVICE	$4,164,496	$3,821,342	($343,154)	$4,376,882	$4,377,992	($1,110)	($344,264)
IMPACT FEE	$72,800	$373,650	$300,850	$100,000	$100,000	$0	$300,850
PARKS BOND	$11,453,600	$11,518,414	$64,814	$15,108,004	$8,216,969	$6,891,035	$6,955,849
SPLOST IV	$0	$124	$124	$0	$0	$0	$124
SPLOST V	$18,895,358	$16,755,048	($2,140,310)	$20,220,170	$12,080,612	$8,139,558	$5,999,248
SPLOST 2012	$6,508,766	$7,688,567	$1,179,801	$5,986,936	$5,764,293	$222,643	$1,402,444
TOTAL CAPITAL RELATED	**$41,095,020**	**$40,157,145**	**($937,875)**	**$45,791,992**	**$30,539,866**	**$15,252,126**	**$14,314,251**
TOTAL	**$95,099,142**	**$93,738,007**	**($1,361,135)**	**$134,624,740**	**$115,193,747**	**$19,430,993**	**$18,069,858**

Notes to explain the negative net impact for three funds:

- Fire Fund & Debt Service Funds – the negative net impacts are due to the accounting change for property taxes and do not represent negative impacts to cash. This accounting change was explained in the previous paragraphs.
- RRDA Fund - the small negative net impact is due to the County's assumption of utilities and other costs for the recycling facility. The nine month period 2012 Budget planned to assume the debt obligation related to this operation, but did not budget the minimal operating expenses and appraisal services required.

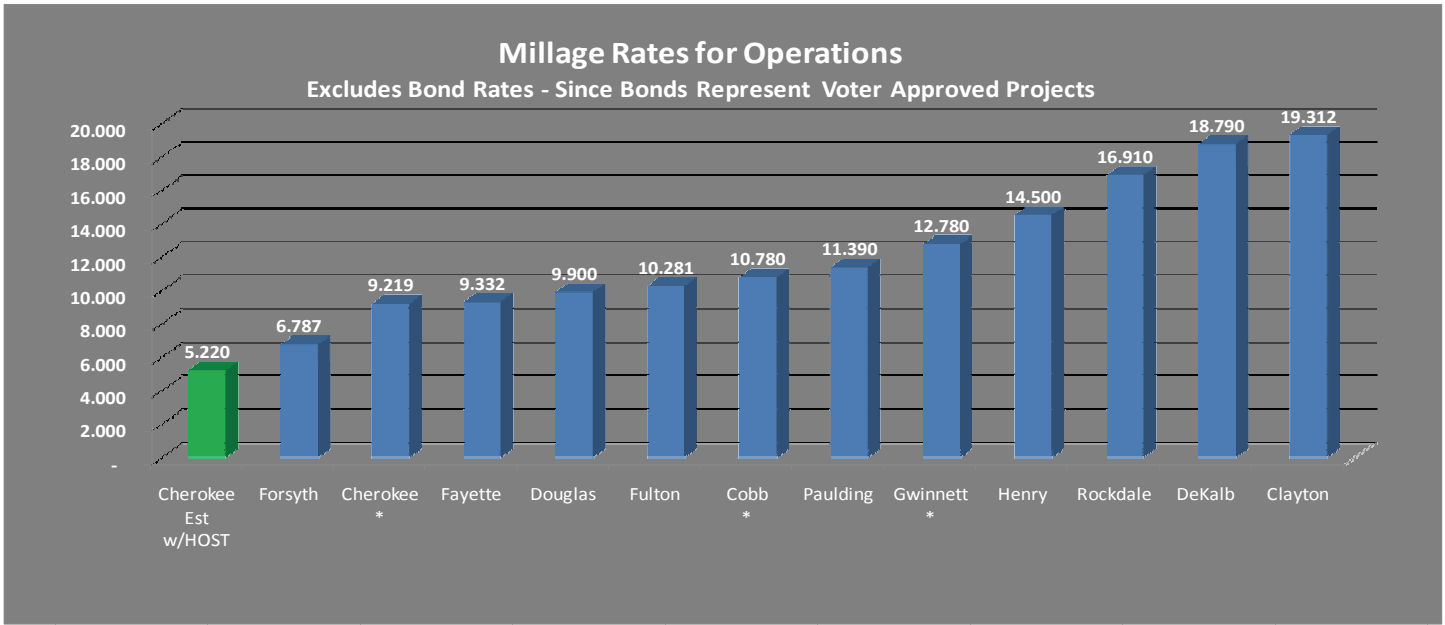
Long-term Financial Planning

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

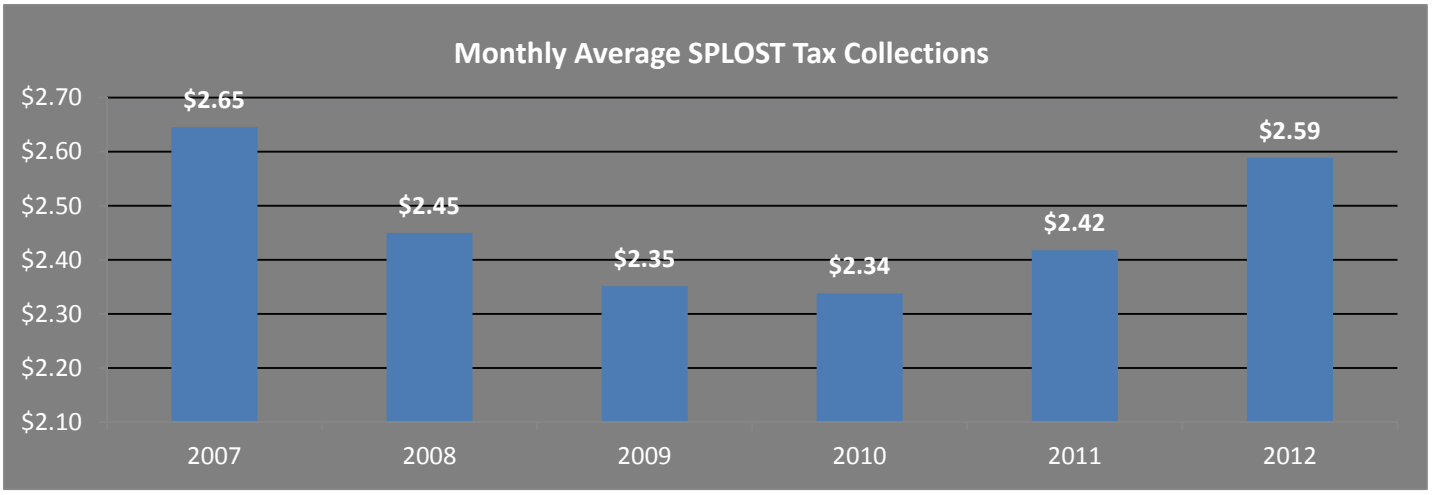
Between 2003 - 2008, our Tax Digest increased each year by double-digit percentages. However, since the Tax Digest peaked in 2008 at $8.7 Billion, we have decreased 23% and reported a 2012 Tax Digest of $6.7 Billion. Because property taxes account for 74% of General Fund and Fire Fund operating costs – this has had a severe impact on our budget and we were forced to increase our millage rate in 2011. Even so, Cherokee County is the seventh largest county, but has the 53rd lowest combined millage rate (9.999) of Georgia's 159 counties. In addition, 156 counties have an additional 1 cent sales tax (referred to as LOST or HOST sales tax) which is used to lower county millage rates. If Cherokee County had such a tax, we estimate our combined millage rate would be ~ 6.000, which would be within the 10 lowest of all Georgia counties. Also, the current 10 lowest counties have average populations of ~ 43,000 and do not provide the same services that Cherokee County provides.

Because of this, Cherokee County included a referendum on the November 2012 ballot for voters to consider approving an additional 1 cent HOST sales tax (**H**omestead **O**ption **S**ales **T**ax). If approved, this sales tax would have been used to increase the homestead exemptions for qualified properties, thus reducing property taxes paid by homeowners. Because property taxes would have been reduced by the amount of sales taxes – this would have been revenue neutral to the County. The purpose of this proposed change was 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. As 156 other counties levy this additional sales tax, we believed this was more fair to our residents and felt the option should be presented to voters. However, the referendum was not approved.



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. For the entire calendar year, 2012 sales tax collections were $30.8 million, which represents an increase over 2011 of 6.2%. We are hopeful this is another sign of economic recovery. 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, since 2009 the County has made other changes to operations to reduce costs including:

- Eliminating 94 FT positions (approximately 8% 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 period contributions
- No cost of living/across the board employee raises since 2008
- 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. 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.

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
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
SEPTEMBER 30, 2012

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 Marshal

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 nine month period ended September 30, 2012, 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 54% and 94%, 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 September 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund, the Fire District Fund, and the Insurance Premium Fund for the nine months then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective January 1, 2012.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2013, 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 4-14 and 63 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
March 26, 2013

Cherokee County, Georgia
Management's Discussion and Analysis
September 30, 2012

As management of Cherokee County, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Cherokee County for the nine (9) month period ended September 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter.

CHANGE IN FISCAL YEAR

Before the 2012 Budget was adopted, the Board of Commissioners made the decision to change the County's year-end from December 31 to September 30. In order to accomplish this change, our auditors instructed us to plan a nine month budget year (January 1 – September 30, 2012) for the initial year of conversion. Therefore, many comparisons of 2012 year-end results (9 months) will not be comparable to 2011 year-end results (12 months). The following list describes a few of the more significant items that would not be comparable.

- Cherokee County makes debt service payments on scheduled dates each year. 2011 financial results reflect payments made in April 2011, May 2011, October 2011, and November 2011, totaling $14,221,041 (as reported in our fiscal year 2011 CAFR). However, 2012 financial results only extend through September 30, so only the April 2012 and May 2012 payments are included, totaling $5,754,239.
- Cherokee County's property taxes are due on December 20 of each year. In 2011, our cash balance would include payments made through December 31, 2011. However, the year-end cash balance for 2012 would be as of September 30; therefore, it is much lower since it does not include significant property tax payments received October – December 2012.
- Related to the property tax impact on our cash balance, our 2012 revenue reporting is also impacted by the shortened time period. In 2011, we reported property tax revenue of $62,445,795. In 2012, we reported $8,639,743. However, as reported in the Statistical Section, the 2012 and 2011 tax levies were approximately equal. Additionally, on January 3, 2013 our Tax Commissioner reported the County's collection rate was on par with the prior year. In summary, while our 2012 reported revenue is not comparable to the prior year, we can confirm our revenues were received as expected, and this performance has continued into fiscal year 2013.

While year-over-year results are not comparable in the year of conversion, for the long-term we believe changing the fiscal year provides better transparency and budget management. We discuss this decision in great detail in the Transmittal Letter.

In order to improve the reader's analysis of results, we have provided comparable numbers when possible. However, please note these comparisons are unaudited and are provided only as a reference to make the reader's analysis more meaningful. In addition, because the short year was assumed in our fiscal period 2012 budget planning process, we believe comparisons to the Budget are more useful to the reader and we have therefore included this commentary in the Transmittal Letter.

FINANCIAL HIGHLIGHTS

- **Assets & Liabilities:** The total assets of Cherokee County were $1,219,893,814, which exceeded its liabilities of $159,002,513. In other words, the assets were almost eight times greater than liabilities.

- **Net Position:** Net position is defined as Total Assets+ Deferred Outflows – Total Liabilities – Deferred Inflows. The primary government's total net position decreased from $1,120,047,262 to $1,060,891,301. This represents a decrease of $59,155,961 (5.3%). While this may seem like a large difference from 2011, it is primarily only a timing variance related to property tax receipts in the short nine month period. To clarify, the 2012 property tax billings of approximately $55 million were mailed in September. Historically, a significant portion of property tax payments have been received before the fiscal year-end of December 31. However, since the 2012 fiscal period ended September 30, our results do not include property tax receipts related to this levy. Therefore, instead of being considered cash (an asset) at nine month period end, these billings are considered an account receivable (an asset), offset by unearned revenue (a liability). Therefore, this liability decreased the net position at year-end. The September tax levy is intended to fund the 2013 fiscal year operations and is therefore considered unearned revenues as of September 30; however, the levy will be recognized as revenue on October 1, 2013.

- **Fund Balances:** At the 2012 nine month period end, Cherokee County's governmental funds reported combined ending fund balances of $67,436,418. The 2011 fiscal year-end reported a balance of $90,492,370.
  - This represents a decrease of $23,055,952. However, as explained previously, the most significant driver of this difference is the recognition of property taxes as revenue in 2011 results, but not in 2012 results. As a comparison, December 2012 combined governmental fund balances (which include October – December 2012 tax payments), totaled $94,186,267, which is actually an *increase* over the same period 2011 of $4,540,762.
  - Of the total combined fund balances, $4,173,249, or 6.5%, is available for spending at the government's discretion (unassigned fund balances).
  - Cherokee County's General Fund Balance was $4,374,515. Of this, $4,205,633 or 96.1% is unassigned and is available for spending at the government's discretion.

- **Debt:** Bonds Payable increased from $74,612,000 to $82,537,000. This represents an increase of $7,925,000 (10.6%). This increase is primarily driven by:
  - an increase of $9,810,000 related to the newest tranche of Parks, Recreation and Greenspace Bonds issued in February 2012 (these bonds were originally approved by voters in 2008 and have only been issued in increments needed to cover project spending as it is incurred), and
  - a decrease in the balance of the 2009 tranche of Parks, Recreation and Greenspace Bonds due to a $1,560,000 scheduled repayment of bond principal.

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 are comprised of 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.

1. 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 position* presents information on all of Cherokee County's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal period. All changes in net position 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 Development Authority, 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 table of contents for the location of the government-wide financial statements in this report.

2. 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: A. Governmental funds, B. Proprietary funds, and C. fiduciary funds.

A. Definition of 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 27 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 six major funds: General Fund, Fire District Fund, SPLOST V Fund (Special Purpose Local Option Sales Tax), the new SPLOST 2012 Fund, the Insurance Premium Tax Fund, and the Recreation Bond Fund. Data for the other 21 governmental funds are combined into a single, aggregated presentation, titled "Other Governmental Funds." 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.

Please reference the table of contents for the location of the basic governmental fund financial statements in this report.

B. Definition of 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, titled "Governmental Activities – Internal Service Funds." Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

Please reference the table of contents for the location of the basic proprietary fund financial statements in this report.

C. Definition of 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.

Please reference the table of contents for the location of the basic fiduciary fund financial statements in this report.

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 in 2011, governmental entities are now required to present fund balance in the following five categories:

i. *Nonspendable Fund Balance* – non-cash assets such as inventories or prepaid items.

ii. *Restricted Fund Balance* – funds legally restricted for specific purposes, such as grant funds.

iii. *Committed Fund Balance* – amounts that can only be used for specific purposes pursuant to a formal resolution of the Board of Commissioners.

iv. *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).

v. *Unassigned Fund Balance* – residual spendable fund balance after subtracting all above amounts.

3. 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. Please reference the index for the location of the required supplementary information in this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

As noted earlier, net position 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 $1,060,891,301 at the close of the most recent period. Said another way, Cherokee County assets are almost eight times greater than its liabilities.

Summary of Assets, Liabilities, Deferred Inflows, and Net Position

	Governmental Activitites		Business-type Activitites		Total	
Assets:	2012	2011	2012	2011	2012	2011
Current and Other Assets	$ 136,562,807	$ 120,070,650	$ 1,738,701	$ 1,273,424	$ 138,301,508	$ 121,344,074
Capital Assets	1,080,423,824	1,088,617,850	1,168,482	630,863	1,081,592,306	1,089,248,713
Total Assets	1,216,986,631	1,208,688,500	2,907,183	1,904,287	1,219,893,814	1,210,592,787
Liabilities:						
Current Liabilities	11,899,455	6,562,278	208,459	225,297	12,107,914	6,787,575
Deferred Inflows	54,958,315	-	-	-	54,958,315	-
Long Term Liabilities	91,721,204	83,437,010	215,080	178,035	91,936,284	83,615,045
Total Liabilities	158,578,974	89,999,288	423,539	403,332	159,002,513	90,402,620
Net Position:						
Investment in Capital Assets, net of Related Debt	1,023,519,289	1,050,048,300	1,168,482	630,863	1,024,687,771	1,050,679,163
Restricted	37,575,187	58,696,018	-	-	37,575,187	58,696,018
Unrestricted	(2,686,819)	9,944,894	1,315,162	870,092	(1,371,657)	10,814,986
Total Net Position	$ 1,058,407,657	$ 1,118,689,212	$ 2,483,644	$ 1,500,955	$ 1,060,891,301	$ 1,120,190,167

By far the largest portion of Cherokee County's net position, $1,024,687,771, or 96.7%, 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:

- Current assets increased due to the County's accrual of billed property taxes, and having three months fewer of expenditures. On its own, the revenue accrual would make 2012 seem comparable to 2011, but fiscal period 2012 has three fewer months of expenditures as compared to 2011. In other words, 2012 represents the full value of property taxes in assets as a receivable, but 2012 cash is only impacted by nine months of expenditures. 2011 reflects the full value of billed property taxes in cash and the receivables, but also reflects twelve months of expenditures which would reduce cash.

- Current liabilities increased due to the timing of the collection of insurance premium taxes. The fund operated during the nine month period by borrowing money from the General Fund until the tax collection occurred in September. As such there was an increase in the liability to the General Fund by approximately $4 million.

- Investment in capital assets, net of related debt, decreases every year because the depreciation expense offsets new capital purchases and construction. However, the decrease is greater this current period due to the addition of debt associated with the Resource Recovery Development Authority bonds.

- The business-type activities, which include the Emergency Medical Services (EMS) and Cherokee Conference Center funds, ended the current period with an increase in net position. This was driven primarily by an increase in EMS transport billing, which increased accounts receivable, and the purchase of new ambulances using SPLOST V funding.

Statement of Activities

As compared to fiscal year 2011, revenue from governmental activities decreased $79,200,544 (56%). Governmental activities expenses decreased $30,123,415 (21%). As explained previously, the revenues are lower than 2011 because the County was not able to recognize the revenues in the nine month period that it would have been able to recognize in a full year. The drop in expenses was due to only incurring nine months of spending instead of twelve. Both of these variances were expected to occur in the shortened year and budgeted accordingly.

Summary of Activities

	Governmental Activities		Business-type Activities		Total	
Program Revenues	2012	2011	2012	2011	2012	2011
Charges for services	$ 15,126,050	$ 22,144,132	$ 5,353,035	$ 6,397,422	$ 20,479,085	$ 28,541,554
Operating grants and contributions	3,615,337	5,005,625	-	21,000	3,615,337	5,026,625
Capital grants and contributions	4,441,711	11,517,533	12,000	-	4,453,711	11,517,533
General Revenues						
Property taxes	6,561,293	61,718,917	-	-	6,561,293	61,718,917
Alcholic beverage taxes	751,958	870,637	-	-	751,958	870,637
Franchise taxes	1,377,748	1,587,195	-	-	1,377,748	1,587,195
Sales taxes	22,705,059	29,288,708	-	-	22,705,059	29,288,708
Insurance premium taxes	6,953,110	6,508,474	-	-	6,953,110	6,508,474
Other taxes	107,240	116,728	-	-	107,240	116,728
Unrestricted investment income	467,149	2,537,155	298,599	260,821	765,748	2,797,976
Other taxes	30,406	42,501	-	-	30,406	42,501
TOTAL REVENUES	62,137,061	141,337,605	5,663,634	6,679,243	67,800,695	148,016,848
Program Expenses						
General government	9,829,282	11,709,843	-	-	9,829,282	11,709,843
Judicial	8,616,641	12,131,482	-	-	8,616,641	12,131,482
Public safety	41,852,318	53,392,268	-	-	41,852,318	53,392,268
Public works	37,963,267	48,284,482	-	-	37,963,267	48,284,482
Health and welfare	3,447,163	4,954,955	-	-	3,447,163	4,954,955
Culture and recreation	4,692,484	4,287,850	-	-	4,692,484	4,287,850
Housing and development	11,873,787	3,656,342	-	-	11,873,787	3,656,342
Interest and fiscal costs	2,975,526	3,411,397	-	-	2,975,526	3,411,397
Emergency medical services (EMS)	-	-	5,516,951	6,678,161	5,516,951	6,678,161
Conference center	-	-	264,837	326,115	264,837	326,115
TOTAL EXPENSES	121,250,468	141,828,619	5,781,788	7,004,276	127,032,256	148,832,895
Change in net position before transfers	(59,113,407)	(491,014)	(118,154)	(325,033)	(59,231,561)	(816,047)
Transfers	(1,025,243)	(974,732)	1,025,243	974,732	-	-
Gain on disposal of capital assets	-	-	75,600	-	75,600	-
Change in net position	(60,138,650)	(1,465,746)	982,689	649,699	(59,155,961)	(816,047)
Beginning net position	1,118,689,212	1,120,154,958	1,500,955	851,256	1,120,190,167	1,121,006,214
Restatements	(142,905)	-	-	-	(142,905)	-
Ending net position	$ 1,058,407,657	$ 1,118,689,212	$ 2,483,644	$ 1,500,955	$ 1,060,891,301	$ 1,120,190,167

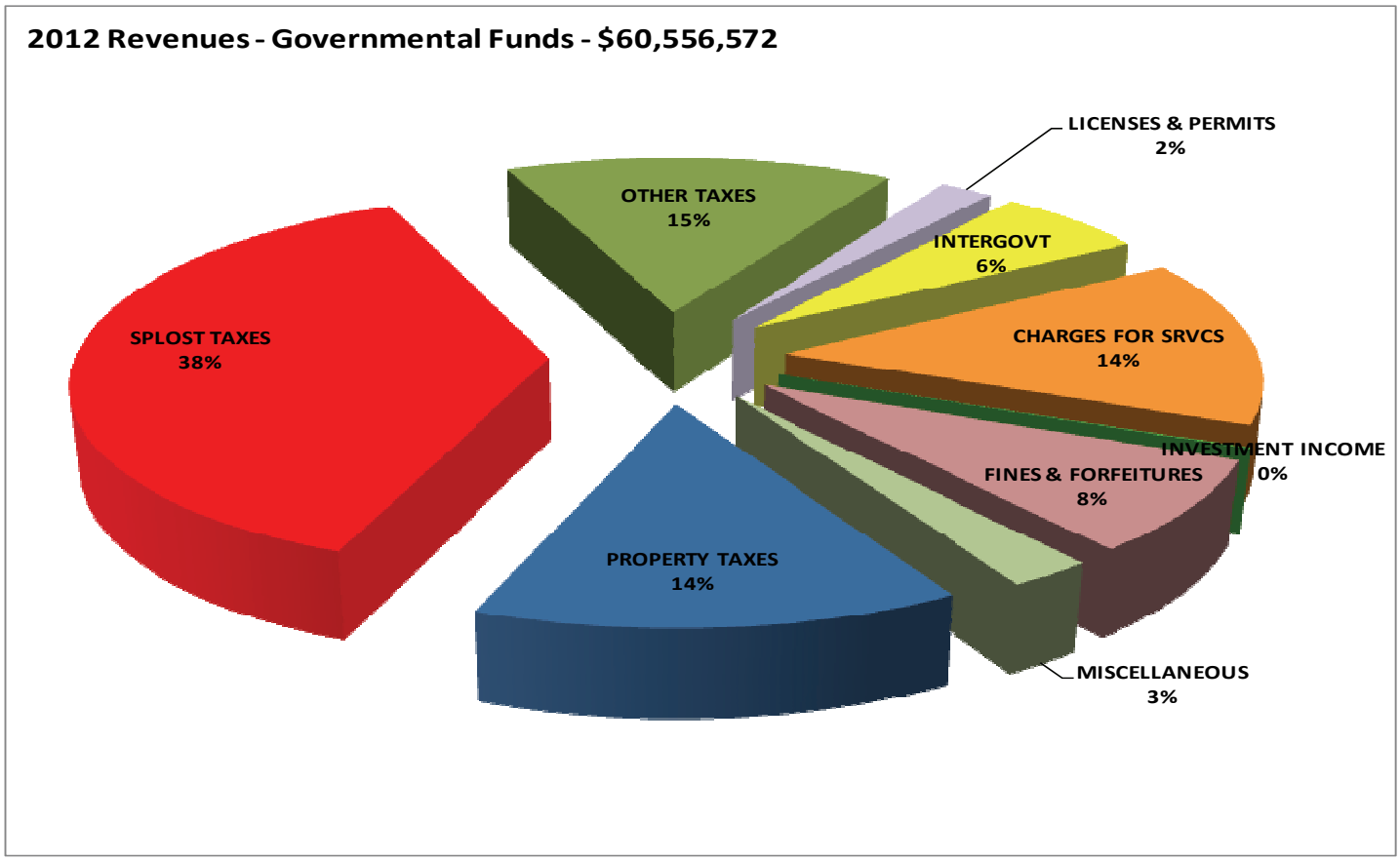
FUND FINANCIAL STATEMENT ANALYSIS

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 period.

Revenues for Cherokee County's governmental funds in 2012 totaled $60,556,573. The majority of funding was generated from Taxes at $40.5 million, which is comprised of property taxes of $8.6 million, sales taxes of $22.7 million, insurance premium taxes of $7.0 million, and other miscellaneous taxes of $2.2 million.

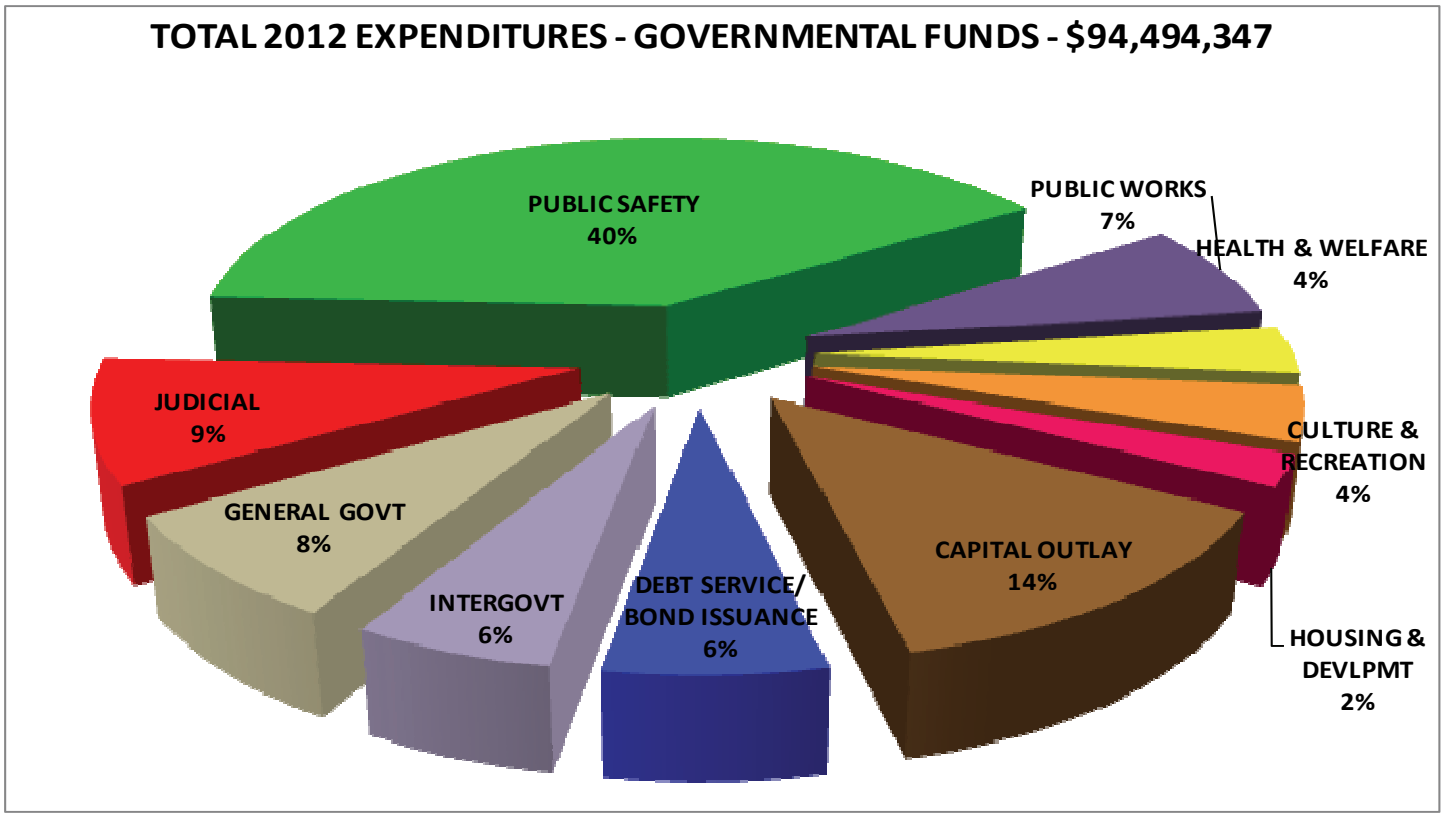


Total revenues decreased $71.0 million as compared to 2011. As previously explained, this is due to the Board of Commissioners decision to change the year-end from December 31 to September 30. In order to enact this change the 2012 fiscal peirod only reflects nine months of revenues and expenditures. Therefore, very little property tax revenue was recognized in 2012, and SPLOST, motor vehicle tax and all other revenues collected by the County were less due to the three fewer months as compared to 2011.

Property tax revenue decreased $53.8 million due only to the timing of the fiscal year. This fact is reflected in the Balance Sheet for Governmental Funds; approximately $55.0 million is reported as Accounts Receivable and Unearned Revenue. The property tax billings are recorded in this manner because the taxes were billed in September and reported as unearned revenues until October 1.

Because the County adjusted the 2012 millage rate to account for the decrease in property values (termed the "rollback or rollup" change, not a tax increase) the 2012 tax levies for General M&O and the Fire District were approximately equal to 2011. However, because for reporting purposes 2012 revenues are not comparable to 2011, the County has provided fiscal period 2012 Budget v Actual comparisons, where the reader can review the County's fiscal period 2012 revenue performance.

Governmental expenditures totaled $94,494,347. Of this total, 49.4% was required to support public safety and judicial services.



Total 2012 governmental fund expenditures decreased $30,397,509, or approximately 25% as compared to 2011. Because the 2012 fiscal period was three months shorter than the 2011 fiscal period, this would indicate expenditures were on target. However, we do recognize it is difficult for readers to make year-over-year comparisons given the different time periods. We invite readers to review the Transmittal Letter which provides fiscal period 2012 Budget v Actual comparisons, where readers can see the County's actual expenditures were less than budget.

As of the end of the current fiscal period, Cherokee County's governmental funds reported combined ending fund balances of $67,436,418, a net decrease of $23,055,952 from the prior year. Again, this decrease is primarily related to the County not being able to recognize twelve months of revenue in the shortened fiscal period. Of this combined ending fund balance, $4,173,249, or 6.2%, 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 period, the total fund balance of the General Fund was $4,374,515 of which $4,205,633, or 96.1%, 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 10.9% of General Fund expenditures.

During the current fiscal period, Cherokee County's General Fund balance decreased by $25,816,930. As previously explained, this decrease was due to the shortened fiscal period which led to the lack of property tax revenue recognition and three months fewer revenue collections in other areas.

The Fire District Fund is another major fund of the County which is primarily supported by property taxes. At the current period end, the total fund balance of this fund was $3,241,049, which was $8,868,668 lower than the 2011 balance. The decrease was also created by the lack of property tax revenue recognition. 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 $13,440,599 - all classified as restricted. This balance represents an increase over 2011 of $8,766,163. This increase is primarily due to the timing of construction of capital projects. Capital spending is dependent on the progress of construction which is influenced by project management, weather, approvals, etc. The tax collection period for this SPLOST ended

June 2012. The balance remaining in this fund has been designated to fund specific projects approved by voters when the referendum was approved in 2004. Once those projects have been completed this fund will be closed.

The SPLOST 2012 Fund was established in 2012 to account for collections of the renewed SPLOST Tax beginning in July 2012. The monthly collections began arriving in August 2012 so it is now a major fund which is primarily supported by sales taxes. At the current period end, the total fund balance of the SPLOST 2012 Fund was $1,924,274 - all classified as restricted or nonspendable. 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 in the current year, the balance will accumulate and carryforward so the projects will be completed in future years.

The Insurance Premium Tax Fund was added this period as a major fund. This fund accounts for the insurance premium tax and the expenditures related to the tax. The fund balance at the end of the current period was $2,656,190, all classified as restricted or nonspendable. This is $2,823,873 greater than 2011 when the balance was a deficit of ($167,683). The reason for this increase is due to timing; the fund recognizes the lump sum payment of tax in September so it appears "cash rich" at the 2012 fiscal period end. However, this cash is used to fund the following year's operations so each month after September the balance decreases. These revenues are restricted by State law to provide services primarily to the unincorporated areas of the County. Among the departments in this fund are the Development Services Center, GIS/Mapping, Animal Control, Roads & Bridges, Engineering, Engineering Development, Stormwater Management Maintenance, Building Inspections, Planning and Land Use, Code Enforcement, Conservation Administration, and Forest Resources Conservation.

The Recreation Bond Fund accounts for the voter approved bond proceeds used to invest in recreation, parks, and greenspace. The fund balance at the current period end was $24,895,660, which is $3,301,445 greater than 2011. While this fund incurred expenditures of approximately $8 million in the fiscal period 2012, this was offset by the most recent tranche of bond proceeds received in February 2012 totaling $11.4 million. The fund balance is restricted only to the approved projects included in the 2008 referendum.

Proprietary Funds

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

The net position of the Emergency Services Fund and the Conference Center Fund at the end of the current period amounted to $2,483,644 of which $1,315,162, or 53% was unrestricted, and net position for Internal Services, comprised of fleet services and employee benefits, amounted to $3,296,339.

General Fund Budgetary Highlights

The original expenditure budget of $39,396,138 was increased $424,216, for a final amended budget of $39,820,354. The main reason for this increase was related to County Attorney costs. When we developed the fiscal period 2012 Budget, we had planned costs in this department would decrease. When this did not occur, a budget amendment was required.

By fiscal period end, the actual General Fund expenditures were $1,334,871 less than the final budget. Readers can review variances for each department in the Budget and Actual Schedules; however, the primary drivers of this positive variance stem from personnel attrition and vacancies in the Sheriff Office and Judicial Services organization.

The original budget for General Fund transfers (transfers to provide support to other funds) was $2,410,426, but was amended to $2,714,800. The primary reason the budget was amended was so the General Fund could transfer $304,374 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, but would reassume the payments in mid-2012. Unfortunately, the operator did not have the financial resources to do so, and filed bankruptcy. Because the County had pledged up to 1 mil to cover this debt if the operator failed to make payments, the County has continued to cover these costs. The County is currently seeking a new operator to assume (partial) responsibility of the debt. In the interim, the County will honor this obligation and cover these payments.

CAPITAL ASSET AND DEBT ANALYSIS

Capital Assets

As of September 30, 2012, Cherokee County's investment in capital assets for its governmental activities totaled $1,080,423,824 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges. The total of these capital assets decreased $8,194,025 as compared to 2011. This is not unusual; typically every year the capital assets decrease because the annual depreciation expense is greater than new purchases and construction.

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

- New sheriff and CMANS vehicles
- Courthouse renovations in the juvenile court areas
- Continuation of mandated upgrades to the E911 communication system and other equipment
- Early construction stages of a new Fire Training Center
- Rescue equipment for firefighters
- Various road improvements
- Parks bond construction including the Badger Creek soccer complex, the Aquatic Center, Hobgood Park, Sequoyah Park, and other smaller park renovations

In addition, per the legal agreement with the former third party operator and lessee of the RRDA Recycling Center, in the event they defaulted on their obligations and the lease was cancelled, the County would take ownership of the assets used to operate the recycling center. These assets were originally purchased in 2009 with the RRDA bonds that were guaranteed by the County. Due to the operator's default on the bond payments, the County cancelled the lease, assumed ownership of the assets (and remaining debt), and therefore added these assets to the County's government-wide financial statements in the fiscal period 2012. Related to this transaction, the lease had been considered a capital lease, so at the same time the County removed the capital lease receivable from our financial statements.

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 period, Cherokee County had total long term bonded debt outstanding of $82,537,000. Of this debt:

- $17,220,000 is debt issued by the Resource Recovery Development Authority, a blended component unit of the County. When this debt was issued, it was expected to be covered by the third party operator and lessee of the recycling facility; however, it was guaranteed by the County's pledge of up to 1 mil to cover the annual debt service payments if the lessee defaulted. In 2012, the County was forced to cancel the lease due to the operator's inability to meet its obligations. The County was not required to increase the millage rate to cover the debt in the fiscal period 2012. However, if it did, the required increase equivalent to the annual debt service would be only 0.18 mils. As previously explained, the County is currently seeking a new operator.

- $3,640,000 is supported by the 1% Special Purpose Local Option Sales Tax (SPLOST). This sales tax was approved by the voters in the 2004, and was effective 2006 – 2012.

- $61,677,000 is supported by a separate bond millage rate of 0.780 mills. This debt was approved by voters in 2008 for investment in parks, recreation, and greenspace.

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 $718,400,696 which is almost nine times greater than Cherokee County's outstanding debt of $82,537,000.

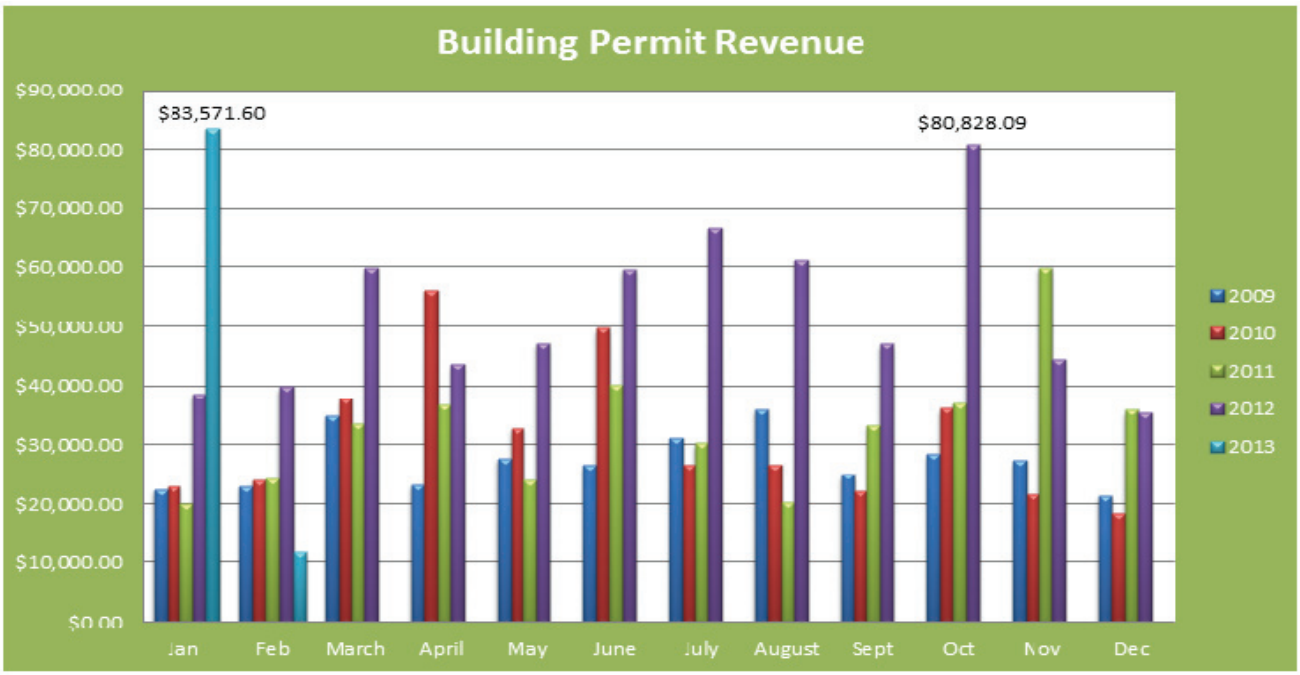
Cherokee County's long term bonded debt increased $7,925,000 during the current fiscal period. The third tranche of the Parks Bond was issued in the amount of $11,410,000 and $3,485,000 of debt was retired. The County holds a rating of "Aa2" from Moody's Rating Agency and a "AA+" from Standard & Poor's 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 December 31, 2012, the unemployment rate for Cherokee County was 6.9%, which was lower than the State rate of 8.7%. This is a significant improvement to 2011 rates: Cherokee County 7.9% and the State 8.9%.

- Since late 2008, the construction industry has suffered from the economic recession. This has impacted building permits in most counties. In 2012, Cherokee County experienced significant recovery in the issuance of building permits.



- Sales tax revenues increased 6.2% over the comparable 9 month period of 2011. This is incremental to the 3.4% increase the County experienced in 2011 over 2010.

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 POSITION
SEPTEMBER 30, 2012

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Cherokee County Development Authority	Development Authority of Cherokee County	Library
ASSETS							
Cash and cash equivalents	$ 47,179,016	$ 270,824	$ 47,449,840	$ 1,009,673	$ -	$ 1,739,951	$ 1,059,369
Investments	395,063	-	395,063	-	-	-	-
Property taxes receivable	54,018,243	-	54,018,243	-	-	-	-
Accounts receivable	9,400,528	1,699,735	11,100,263	124,796	-	25,830	39,114
Due from other governments	3,759,308	-	3,759,308	1,058,376	-	-	33,619
Internal balances	248,486	(248,486)	-	-	-	-	-
Inventory	188,669	-	188,669	-	-	-	-
Prepaid items	619,480	9,300	628,780	-	-	113,391	62,167
Restricted cash and cash equivalents	20,532,759	-	20,532,759	-	-	-	286,393
Capital assets, non-depreciable	288,184,513	7,328	288,191,841	-	8,011,306	-	1,296,698
Capital assets, depreciable (net of accumulated depreciation)	792,239,311	1,168,482	793,407,793	319,865	1,239,135	-	7,798,037
Net pension asset	221,255	-	221,255	-	-	-	-
Total assets	1,216,986,631	2,907,183	1,219,893,814	2,512,710	9,250,441	1,879,172	10,575,397
LIABILITIES							
Accounts payable	6,358,370	53,488	6,411,858	142,241	-	137,308	58,412
Accrued liabilities	4,227,085	154,971	4,382,056	320,460	28,003	15,948	20,577
Short-term notes payable	1,314,000	-	1,314,000	-	-	-	-
Net OPEB obligation, due in more than one year	881,804	-	881,804	-	-	-	-
Claims payable due within one year	766,602	-	766,602	-	-	-	-
Claims payable due in more than one year	255,535	-	255,535	-	-	-	-
Capital leases due within one year	138,319	-	138,319	-	-	-	-
Capital leases due in more than one year	170,889	-	170,889	-	-	-	-
Notes payable due within one year	-	-	-	-	258,641	-	-
Notes payable due in more than one year	-	-	-	-	6,614,092	-	-
Bonds payable due within one year	10,910,000	-	10,910,000	-	-	-	-
Bonds payable due in more than one year	72,824,915	-	72,824,915	-	-	-	-
Compensated absences due within one year	2,472,741	161,310	2,634,051	-	-	-	12,143
Compensated absences due in more than one year	824,248	53,770	878,018	425,074	-	-	48,573
Landfill due within one year	163,738	-	163,738	-	-	-	-
Landfill due in more than one year	2,312,413	-	2,312,413	-	-	-	-
Total liabilities	103,620,659	423,539	104,044,198	887,775	6,900,736	153,256	139,705
DEFERRED INFLOWS							
Unearned revenue	54,958,315	-	54,958,315	-	-	-	-
Total deferred inflows	54,958,315	-	54,958,315	-	-	-	-
Total liabilities and deferred inflows	158,578,974	423,539	159,002,513	887,775	6,900,736	153,256	139,705
NET POSITION							
Net investment in capital assets	1,023,519,289	1,168,482	1,024,687,771	319,865	2,377,708	-	9,094,735
Restricted for:							
Law library operations	627,712	-	627,712	-	-	-	-
Senior services	58,266	-	58,266	-	-	-	-
Public safety	1,171,253	-	1,171,253	-	-	-	-
Donations for improvements	17,428	-	17,428	-	-	-	-
Grant activities	103,427	-	103,427	-	-	-	-
Jail operation and construction	1,012,584	-	1,012,584	-	-	-	-
E911 operations	1,379,539	-	1,379,539	-	-	-	-
Impact fees	4,061,075	-	4,061,075	-	-	-	-
Transportation services	26,131	-	26,131	-	-	-	-
Debt service	7,969,618	-	7,969,618	-	-	-	16,422
SPLOST projects	15,360,142	-	15,360,142	-	-	-	284,966
Unincorporated services	2,583,397	-	2,583,397	-	-	-	-
Fire protection services	3,204,615	-	3,204,615	-	-	-	-
Public health program expenditures	-	-	-	100,922	-	-	-
Unrestricted (deficit)	(2,686,819)	1,315,162	(1,371,657)	1,204,148	(28,003)	1,725,916	1,039,569
Total net position	$ 1,058,407,657	$ 2,483,644	$ 1,060,891,301	$ 1,624,935	$ 2,349,705	$ 1,725,916	$ 10,435,692

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2012

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	$ 9,829,282	$ 1,289,956	$ 868,636	$ -
Judicial	8,616,641	5,036,242	424,866	-
Public safety	41,852,318	5,074,468	175,832	-
Public works	37,963,267	1,581,672	286,847	4,265,307
Health and welfare	3,447,163	252,392	1,833,356	176,404
Culture and recreation	4,692,484	805,077	25,800	-
Housing and development	11,873,787	1,086,243	-	-
Interest and fiscal costs	2,975,526	-	-	-
Total governmental activities	121,250,468	15,126,050	3,615,337	4,441,711
Business-type activities:				
EMS	5,516,951	5,338,425	-	12,000
Conference center	264,837	14,610	-	-
Total business-type activities	5,781,788	5,353,035	-	12,000
Total primary government	$ 127,032,256	$ 20,479,085	$ 3,615,337	$ 4,453,711
Component units:				
Department of Public Health	$ 12,819,870	$ 1,783,018	$ 8,833,919	$ -
Cherokee County Development Authority	323,867	-	582,520	197,308
Development Authority of Cherokee County	449,386	-	243,651	-
Library	4,198,944	253,962	573,821	553,970
Total component units	$ 17,792,067	$ 2,036,980	$ 10,233,911	$ 751,278
General revenues:				
Property taxes				
Alcoholic beverage taxes				
Franchise taxes				
Sales taxes				
Insurance premium taxes				
Other taxes				
Miscellaneous revenues				
Unrestricted investment earnings				
Gain on disposal of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of period, as restated				
Net position, end of period				

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

Net (Expenses) Revenues and Changes in Net Position							
Primary Government			Component Units				
Governmental Activities	Business-type Activities	Total	Department of Public Health	Cherokee County Development Authority	Development Authority of Cherokee County	Library
$ (7,670,690)	$ -	$ (7,670,690)	$ -	$ -	$ -	$ -
(3,155,533)	-	(3,155,533)	-	-	-	-
(36,602,018)	-	(36,602,018)	-	-	-	-
(31,829,441)	-	(31,829,441)	-	-	-	-
(1,185,011)	-	(1,185,011)	-	-	-	-
(3,861,607)	-	(3,861,607)	-	-	-	-
(10,787,544)	-	(10,787,544)	-	-	-	-
(2,975,526)	-	(2,975,526)	-	-	-	-
(98,067,370)	-	(98,067,370)	-	-	-	-
-	(166,526)	(166,526)	-	-	-	-
-	(250,227)	(250,227)	-	-	-	-
-	(416,753)	(416,753)	-	-	-	-
(98,067,370)	(416,753)	(98,484,123)	-	-	-	-
-	-	-	(2,202,933)	-	-	-
-	-	-	-	455,961	-	-
-	-	-	-	-	(205,735)	-
-	-	-	-	-	-	(2,817,191)
-	-	-	(2,202,933)	455,961	(205,735)	(2,817,191)
6,561,293	-	6,561,293	-	-	-	-
751,958	-	751,958	-	-	-	-
1,377,748	-	1,377,748	-	-	-	-
22,705,059	-	22,705,059	-	-	-	-
6,953,110	-	6,953,110	-	-	-	-
107,240	-	107,240	-	-	-	-
467,149	298,599	765,748	1,900,302	-	1,250	2,601,620
30,406	-	30,406	-	-	2,618	2,275
-	75,600	75,600	-	-	-	-
(1,025,243)	1,025,243	-	-	-	-	-
37,928,720	1,399,442	39,328,162	1,900,302	-	3,868	2,603,895
(60,138,650)	982,689	(59,155,961)	(302,631)	455,961	(201,867)	(213,296)
1,118,546,307	1,500,955	1,120,047,262	1,927,566	1,893,744	1,927,783	10,648,988
$ 1,058,407,657	$ 2,483,644	$ 1,060,891,301	$ 1,624,935	$ 2,349,705	$ 1,725,916	$ 10,435,692

CHEROKEE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

ASSETS	General Fund	Fire District Fund	Insurance Premium	SPLOST V Fund	SPLOST 2012 Fund	Recreation Bond Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 3,414,508	$ 4,189,271	$ -	$ 14,731,948	$ 38,590	$ 6,606,829	$ 15,696,686	$ 44,677,832
Investments	-	-	-	-	-	-	395,063	395,063
Property taxes receivable, net	34,293,938	14,950,326	-	-	-	-	4,773,979	54,018,243
Accounts receivable, net	860,050	10,820	6,971,163	-	-	-	1,072,307	8,914,340
Due from other governments	2,848	-	-	572,545	2,503,432	-	680,483	3,759,308
Due from other funds	4,818,523	-	-	3,878	-	-	-	4,822,401
Inventory	5,134	-	-	-	-	-	-	5,134
Prepaid items	163,748	36,434	72,793	-	4,731	549	331,995	610,250
Restricted cash and cash equivalents	-	-	-	-	-	20,532,759	-	20,532,759
Total assets	$ 43,558,749	$ 19,186,851	$ 7,043,956	$ 15,308,371	$ 2,546,753	$ 27,140,137	$ 22,950,513	$ 137,735,330
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable	$ 1,177,369	$ 177,628	$ 65,089	$ 1,787,939	$ 622,479	$ 1,968,195	$ 400,317	$ 6,199,016
Accrued liabilities	1,508,948	493,006	161,293	79,833	-	276,282	232,731	2,752,093
Due to other funds	-	-	4,161,384	-	-	-	344,799	4,506,183
Tax anticipation note payable	1,314,000	-	-	-	-	-	-	1,314,000
Total liabilities	4,000,317	670,634	4,387,766	1,867,772	622,479	2,244,477	977,847	14,771,292
DEFERRED INFLOWS OF RESOURCES								
Unearned revenue - property taxes	34,903,413	15,190,687	-	-	-	-	4,864,215	54,958,315
Unavailable revenue - property taxes	280,504	84,481	-	-	-	-	24,622	389,607
Unavailable revenue - charges for services	-	-	-	-	-	-	179,698	179,698
Total deferred inflows of resources	35,183,917	15,275,168	-	-	-	-	5,068,535	55,527,620
FUND BALANCES								
Fund balances:								
Nonspendable:								
Prepaids	163,748	36,434	72,793	-	4,731	549	331,995	610,250
Inventory	5,134	-	-	-	-	-	-	5,134
Restricted:								
Law library operations	-	-	-	-	-	-	627,712	627,712
Senioir services	-	-	-	-	-	-	58,266	58,266
Public safety	-	-	-	-	-	-	1,171,253	1,171,253
Donations for improvements	-	-	-	-	-	-	17,428	17,428
Grant activities	-	-	-	-	-	-	103,427	103,427
Jail operation and construction	-	-	-	-	-	-	1,012,584	1,012,584
E911 operations	-	-	-	-	-	-	1,379,539	1,379,539
Impact fees	-	-	-	-	-	-	4,061,075	4,061,075
Transportation services	-	-	-	-	-	-	26,131	26,131
Debt service	-	-	-	-	-	-	7,969,618	7,969,618
Cultural and recreation construction	-	-	-	-	-	24,895,111	-	24,895,111
SPLOST projects	-	-	-	13,440,599	1,919,543	-	-	15,360,142
Unincorporated services	-	-	2,583,397	-	-	-	-	2,583,397
Fire protection services	-	3,204,615	-	-	-	-	-	3,204,615
Committed:								
Jail and inmate services	-	-	-	-	-	-	65,301	65,301
Animal control	-	-	-	-	-	-	47,271	47,271
Park and recreation activities	-	-	-	-	-	-	64,915	64,915
Unassigned	4,205,633	-	-		-	-	(32,384)	4,173,249
Total fund balances	4,374,515	3,241,049	2,656,190	13,440,599	1,924,274	24,895,660	16,904,131	67,436,418
Total liabilities, deferred inflows of resources, and fund balances	$ 43,558,749	$ 19,186,851	$ 7,043,956	$ 15,308,371	$ 2,546,753	$ 27,140,137	$ 22,950,513	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,080,022,285
Other long-term assets are not available to pay for current period expenditures, and, therefore, are unavailable in the funds.	569,305
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(92,256,141)
Net pension asset is not recorded on the fund financial statements	221,255
Net OPEB liability does not consume current financial resources and, therefore, is not reported in governmental funds.	(881,804)
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 position.	3,296,339
Net position of governmental activities	$ 1,058,407,657

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

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CHEROKEE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	General Fund	Fire District Fund	Insurance Premium	SPLOST V Fund
REVENUES				
Property taxes	$ 5,876,903	$ 2,184,186	$ -	$ -
Alcoholic beverage taxes	-	-	-	-
Franchise taxes	1,377,748	-	-	-
Insurance premium taxes	-	-	6,953,110	-
Sales taxes	-	-	-	15,018,946
Other taxes	-	-	-	-
Licenses and permits	757,354	19,565	503,860	-
Intergovernmental	43,493	-	-	1,489,534
Fines and forfeitures	3,641,951	-	-	-
Charges for services	2,721,301	1,020,353	140	-
Investment income	13,719	4,601	46	12,365
Contributions and donations	-	-	-	-
Other	653,167	29,629	8,603	219,203
Total revenues	15,085,636	3,258,334	7,465,759	16,740,048
EXPENDITURES				
Current:				
General government	6,832,919	-	610,353	-
Judicial	8,715,127	-	-	-
Public safety	20,246,997	12,128,052	-	25,271
Public works	225,565	-	2,503,286	1,360,264
Health and welfare	294,832	-	1,228,247	-
Culture and recreation	1,420,487	-	-	-
Housing and development	589,214	-	-	231,720
Capital outlay	-	-	-	3,920,341
Intergovernmental	-	-	-	3,409,828
Debt service:				
Principal	99,045	-	-	-
Interest	61,297	-	-	-
Bond issuance cost	-	-	-	-
Total expenditures	38,485,483	12,128,052	4,341,886	8,947,424
Excess (deficiency) of revenues over (under) expenditures	(23,399,847)	(8,869,718)	3,123,873	7,792,624
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	28,221	1,050	-	15,000
Bonds issued	-	-	-	-
Transfers in	354,733	-	-	-
Transfers out	(2,800,037)	-	(300,000)	(3,133,188)
Total other financing sources (uses)	(2,417,083)	1,050	(300,000)	(3,118,188)
Net change in fund balances	(25,816,930)	(8,868,668)	2,823,873	4,674,436
FUND BALANCES (DEFICIT), beginning of period, restated	30,191,445	12,109,717	(167,683)	8,766,163
FUND BALANCES, end of period	$ 4,374,515	$ 3,241,049	$ 2,656,190	$ 13,440,599

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

SPLOST 2012 Fund	Recreation Bond Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 578,654	$ 8,639,743
-	-	751,958	751,958
-	-	-	1,377,748
-	-	-	6,953,110
7,686,113	-	-	22,705,059
-	-	107,240	107,240
-	-	-	1,280,779
-	-	2,343,623	3,876,650
-	-	1,177,685	4,819,636
-	-	5,050,413	8,792,207
1,036	7,614	4,426	43,807
-	-	116,207	116,207
1,418	25,800	154,609	1,092,429
7,688,567	33,414	10,284,815	60,556,573
-	-	115,489	7,558,761
-	-	195,664	8,910,791
-	-	5,397,618	37,797,938
2,650,093	-	-	6,739,208
-	-	1,830,946	3,354,025
-	203,855	2,280,754	3,905,096
246,196	-	1,195,434	2,262,564
949,819	7,897,589	-	12,767,749
1,918,185	-	-	5,328,013
-	-	3,485,000	3,584,045
-	-	2,109,335	2,170,632
-	115,525	-	115,525
5,764,293	8,216,969	16,610,240	94,494,347
1,924,274	(8,183,555)	(6,325,425)	(33,937,774)
-	-	-	44,271
-	11,410,000	-	11,410,000
-	75,000	5,437,266	5,866,999
-	-	(206,223)	(6,439,448)
-	11,485,000	5,231,043	10,881,822
1,924,274	3,301,445	(1,094,382)	(23,055,952)
-	21,594,215	17,998,513	90,492,370
$ 1,924,274	$ 24,895,660	$ 16,904,131	$ 67,436,418

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 NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(23,055,952)
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.		(16,382,546)
The net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins) is to increase net assets.		869,787
The current year decrease to the net pension asset increases net expenses of pensionable functions on the government wide statements.		(2,094,169)
The current year increase to the net OPEB liability decreases net expenses of the functions on the government wide statements.		47,330
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(1,827,668)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transacation, however, has any effect on the net position. This amount is the effect of these differences in the treatment of long-term debt and related items.		(7,825,955)
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.		(941,736)
The default of the leasee on the County's capital lease receivable resulted in the recognition of the loss associated with the default of the third-party.		(9,545,264)
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.		617,523
Change in net position - governmental activities	$	(60,138,650)

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

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CHEROKEE COUNTY, GEORGIA

GENERAL FUND, FIRE DISTRICT FUND, AND INSURANCE PREMIUM FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Property taxes	$ 7,612,005	$ 7,612,005	$ 5,876,903	$ (1,735,102)
Franchise taxes	1,205,000	1,205,000	1,377,748	172,748
Insurance premium taxes	-	-	-	-
Licenses and permits	766,600	766,600	757,354	(9,246)
Intergovernmental	42,000	42,000	43,493	1,493
Fines and forfeitures	3,661,100	3,706,100	3,641,951	(64,149)
Charges for services	2,523,750	2,523,750	2,721,301	197,551
Interest	4,500	4,500	13,719	9,219
Other	494,725	532,369	653,167	120,798
Total revenues	16,309,680	16,392,324	15,085,636	(1,306,688)
EXPENDITURES				
Current:				
General government:				
County commission	193,455	193,455	194,935	(1,480)
County manager	213,100	213,100	201,108	11,992
County clerk	69,347	69,347	61,384	7,963
Elections	593,926	593,926	596,561	(2,635)
Finance	595,446	595,446	567,757	27,689
County attorney	243,750	546,317	546,317	-
Data processing	1,219,475	1,219,475	1,156,394	63,081
Human resources	213,077	213,077	177,219	35,858
Tax commissioner	1,207,955	1,207,955	1,151,076	56,879
Tax assessor	1,255,073	1,255,073	1,231,953	23,120
Buildings and grounds	804,313	804,987	787,108	17,879
General administration	213,475	213,475	161,107	52,368
Total general government	6,822,392	7,125,633	6,832,919	292,714
Judicial:				
Court administration	636,247	636,247	536,439	99,808
Superior court	539,630	539,630	535,757	3,873
Superior court -pretrial services	109,385	131,340	131,340	-
Clerk of superior court	2,287,147	2,287,147	2,179,995	107,152
Board of equalization	18,861	63,861	56,432	7,429
District attorney	1,278,811	1,278,811	1,171,159	107,652
State court	529,963	529,963	528,383	1,580
State court solicitor	1,028,503	1,028,503	996,155	32,348
Magistrate court	245,355	245,355	234,903	10,452
Probate court	468,120	468,120	462,627	5,493
Indigent defense	1,315,646	1,315,646	1,252,500	63,146
Juvenile court	612,387	629,437	629,437	-
Total judicial	9,070,055	9,154,060	8,715,127	438,933

(Continued)

Fire District Fund				Insurance Premium Fund			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 3,375,932	$ 3,375,932	$ 2,184,186	$ (1,191,746)	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	6,500,000	6,500,000	6,953,110	453,110
22,500	22,500	19,565	(2,935)	427,500	427,500	503,860	76,360
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
935,885	935,885	1,020,353	84,468	-	-	140	140
1,800	1,800	4,601	2,801	-	-	46	46
-	27,078	29,629	2,551	12,150	12,150	8,603	(3,547)
4,336,117	4,363,195	3,258,334	(1,104,861)	6,939,650	6,939,650	7,465,759	526,109
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	650,784	650,784	610,353	40,431
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	650,784	650,784	610,353	40,431
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

CHEROKEE COUNTY, GEORGIA

GENERAL FUND, FIRE DISTRICT FUND, AND INSURANCE PREMIUM FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012

	General Fund			
	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (Continued)				
Current (continued):				
Public safety:				
Sheriff	$ 20,717,507	$ 20,754,476	$ 20,164,537	$ 589,939
Fire	-	-	-	-
Coroner	78,106	78,106	82,460	(4,354)
Total public safety	20,795,613	20,832,582	20,246,997	585,585
Public works:				
Roads and bridges	-	-	-	-
Recycling	118,388	118,388	122,198	(3,810)
Postclosure care	120,150	120,150	103,367	16,783
Total public works	238,538	238,538	225,565	12,973
Health and welfare:				
Public health administration	147,250	147,250	144,950	2,300
Aid to dependent children	72,750	72,750	42,200	30,550
Aid to the disabled	25,668	25,668	9,000	16,668
Children and youth services	33,425	33,425	32,296	1,129
County extension	65,512	65,512	66,386	(874)
Total health and welfare	344,605	344,605	294,832	49,773
Housing and development:				
Economic development	562,167	588,783	589,214	(431)
Total housing and development	562,167	588,783	589,214	(431)
Culture and recreation:				
Community arts centers	55,640	55,640	53,942	1,698
Library	1,366,545	1,366,545	1,366,545	-
Total culture and recreation	1,422,185	1,422,185	1,420,487	1,698
Debt service:				
Principal	126,097	99,482	99,045	437
Interest	14,486	14,486	61,297	(46,811)
Total debt service	140,583	113,968	160,342	(46,374)
Total expenditures	39,396,138	39,820,354	38,485,483	1,334,871
Excess (deficiency) of revenues over expenditures	(23,086,458)	(23,428,030)	(23,399,847)	28,183
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	28,221	28,221
Transfers in	77,233	77,233	354,733	277,500
Transfers out	(2,410,426)	(2,714,800)	(2,800,037)	(85,237)
Total other financing sources (uses)	(2,333,193)	(2,637,567)	(2,417,083)	220,484
Net change in fund balances	(25,419,651)	(26,065,597)	(25,816,930)	248,667
FUND BALANCES, beginning of period	30,191,445	30,191,445	30,191,445	-
FUND BALANCES, end of period	$ 4,771,794	$ 4,125,848	$ 4,374,515	$ 248,667

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

Fire District Fund				Insurance Premium Fund			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13,193,864	13,220,942	12,128,052	1,092,890	-	-	-	-
-	-	-	-	-	-	-	-
13,193,864	13,220,942	12,128,052	1,092,890	-	-	-	-
-	-	-	-	2,606,768	2,945,833	2,503,286	442,547
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,606,768	2,945,833	2,503,286	442,547
-	-	-	-	1,260,684	1,260,684	1,228,247	32,437
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,260,684	1,260,684	1,228,247	32,437
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
13,193,864	13,220,942	12,128,052	1,092,890	4,518,236	4,857,301	4,341,886	515,415
(8,857,747)	(8,857,747)	(8,869,718)	(11,971)	2,421,414	2,082,349	3,123,873	1,041,524
-	-	1,050	1,050	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(300,000)	(300,000)
-	-	1,050	1,050	-	-	(300,000)	(300,000)
(8,857,747)	(8,857,747)	(8,868,668)	(10,921)	2,421,414	2,082,349	2,823,873	741,524
12,109,717	12,109,717	12,109,717	-	(167,683)	(167,683)	(167,683)	-
$ 3,251,970	$ 3,251,970	$ 3,241,049	$ (10,921)	$ 2,253,731	$ 1,914,666	$ 2,656,190	$ 741,524

CHEROKEE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2012

ASSETS	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
CURRENT ASSETS				
Cash	$ -	$ 270,824	$ 270,824	$ 2,501,184
Receivables, net of allowance	1,689,724	10,011	1,699,735	486,188
Prepaids	6,858	2,442	9,300	9,230
Inventories	-	-	-	183,535
Total current assets	1,696,582	283,277	1,979,859	3,180,137
NONCURRENT ASSETS				
Capital assets, nondepreciable	7,328	-	7,328	-
Capital assets, net of depreciation	1,168,482	-	1,168,482	401,539
Total current assets	1,175,810	-	1,175,810	401,539
Total assets	2,872,392	283,277	3,155,669	3,581,676
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	44,439	9,049	53,488	159,354
Accrued liabilities	126,855	28,116	154,971	27,703
Due to other funds	248,486	-	248,486	67,732
Compensated absences, due within one year	161,310	-	161,310	22,911
Total current liabilities	581,090	37,165	618,255	277,700
NONCURRENT LIABILITIES				
Compensated absences, due in more than one year	53,770	-	53,770	7,637
Total liabilities	634,860	37,165	672,025	285,337
NET POSITION				
Invested in capital assets	1,168,482	-	1,168,482	401,539
Unrestricted	1,069,050	246,112	1,315,162	2,894,800
Total net position	$ 2,237,532	$ 246,112	$ 2,483,644	$ 3,296,339

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
OPERATING REVENUES				
Charges for services	$ 5,338,425	$ 14,610	$ 5,353,035	$ 8,339,004
Miscellaneous revenue	37,089	261,510	298,599	716,038
Total operating revenues	5,375,514	276,120	5,651,634	9,055,042
OPERATING EXPENSES				
Personal services	2,182,625	-	2,182,625	801,454
Contractual services	443,379	208,963	652,342	714,069
Claims paid	-	-	-	6,378,108
Supplies	374,816	55,874	430,690	543,873
Bad debts	2,468,727	-	2,468,727	-
Depreciation	47,404	-	47,404	40,660
Total operating expenses	5,516,951	264,837	5,781,788	8,478,164
Operating income (loss)	(141,437)	11,283	(130,154)	576,878
NON-OPERATING REVENUES				
Gain on disposal of capital assets	75,600	-	75,600	-
Contributions	464,794	-	464,794	40,645
Total non-operating revenues	540,394	-	540,394	40,645
Change in net position before transfers	398,957	11,283	410,240	617,523
TRANSFERS IN	496,709	75,740	572,449	-
Change in net position	895,666	87,023	982,689	617,523
NET POSITION, beginning of period	1,341,866	159,089	1,500,955	2,678,816
NET POSITION, end of period	$ 2,237,532	$ 246,112	$ 2,483,644	$ 3,296,339

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	EMS	Non-major Conference Center	Totals	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 4,620,472	$ 269,976	$ 4,890,448	$ -
Receipts from other funds	-	-	-	8,037,664
Payments to employees	(2,088,166)	-	(2,088,166)	(786,750)
Payments to suppliers for services provided	(3,109,487)	(265,590)	(3,375,077)	(7,657,293)
Net cash provided (used) by operating activities	(577,181)	4,386	(572,795)	(406,379)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	496,709	75,740	572,449	-
Donations for operations	12,000	-	12,000	-
Net cash provided by non-capital financing activities	508,709	75,740	584,449	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(139,557)	-	(139,557)	-
Proceeds of sales of capital assets	75,600	-	75,600	-
Net cash used by capital and related financing activities	(63,957)	-	(63,957)	-
Net increase (decrease) in cash	(132,429)	80,126	(52,303)	(406,379)
Cash and cash equivalents, beginning of period	132,429	190,698	323,127	2,907,563
Cash and cash equivalents, end of period	$ -	$ 270,824	$ 270,824	$ 2,501,184
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	$ (141,437)	$ 11,283	$ (130,154)	$ 576,878
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	47,404	-	47,404	40,660
Increase in accounts receivable	(755,042)	(6,144)	(761,186)	(301,735)
Decrease in inventories	-	-	-	4,686
(Increase) decrease in prepaid items	(1,110)	3,558	2,448	(1,022)
Decrease in accounts payable	(69,941)	(7,452)	(77,393)	(17,841)
Increase (decrease) in accrued liabilities	57,414	3,141	60,555	(678,974)
Increase (decrease) in due to other funds	248,486	-	248,486	(30,386)
Increase in compensated absence	37,045	-	37,045	1,355
Net cash provided by (used in) operating activities	$ (577,181)	$ 4,386	$ (572,795)	$ (406,379)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from governmental activities	$ 452,794	$ -	$ 452,794	$ 40,645

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

CHEROKEE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
SEPTEMBER 30, 2012

	Agency Funds
ASSETS	
Cash	$ 9,317,267
Taxes receivable	103,864,630
Total assets	$ 113,181,897
LIABILITIES	
Due to others	$ 9,317,267
Taxes payable to others upon collection	103,864,630
	$ 113,181,897

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 Cherokee County Development Authority, 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. The Development Authority is frequently referred to as "the Cherokee County Office of Economic Development" and exists to promote economic development in the county by working with existing industries to expand as well as by recruiting additional business to the community. The Development Authority was created by resolution of the Board of Commissioners. All board members of the Development Authority are appointed by the County. The Development Authority is dependent on the County for its operational costs. The Development Authority is presented as a governmental fund type component unit. There are no separately issued financial statements available for the Development Authority of Cherokee County.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The **Cherokee County Development Authority** (the "CCDA") provides a means to issue industrial development bonds to develop and promote trade, commerce, industry and employment opportunities within Cherokee County. The CCDA was established by State constitution. Cherokee County does not appoint a majority of the Board, however the CCDA does require the approval of Cherokee County in order to issue bonded debt. The Development Authority is dependent on the County to service the debt service payments on their bonds. The CCDA is presented as a governmental fund type component unit. There are no separately issued financial statements available for the Cherokee County Development Authority.

The **Sequoyah Regional Library** (the "Library") provides library services to the citizens of Cherokee, Gilmer and Pickens Counties. During the fiscal year ended June 30, 2012 (the Library operates on a June 30 fiscal year end), the Library received $1,822,000 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 fiscal 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 fiscal 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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 to be leased and operated by a third party and assume the debt service payments if the third party operator defaulted . There are no separately issued financial statements available for the RR Development Authority.

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 $170,375 to the ARC for the nine month period ended September 30, 2012. 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 position 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. Property taxes levied in September are for the next fiscal year beginning October 1. 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 most revenues to be available if they are collected within 60 days of the end of the current fiscal period, however grant revenues are considered to be available if they are collected within 180 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.

The ***Insurance Premium Fund*** is used 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.

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 and 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 ***Special Purpose Local Option Sales Tax ("SPLOST") 2012 Fund*** is used to account for proceeds of a special 1% local sales tax levy approved by voters in 2011 for an authorized period of six years, between July 2012 – June 2018, and for a total amount of up to $185.5 million. The proceeds of this special tax are designated for 1) jail expansion, law enforcement and fire/EMS training facilities and equipment, advanced life support (ALS) vehicles and equipment, and animal shelter facilities and equipment, 2) transportation facilities, equipment, improvements, and airport facilities and expansion, 3) library facilities, 4) senior center facilities, 5) law enforcement, E-911 and county marshal facilities, vehicles and equipment, 6) business and economic development land acquisition, infrastructure, facilities, debt service, sewer system improvements, 7) courthouse expansion, and 8) fire and emergency services facilities, vehicles and equipment.

The ***Recreation Bond Fund*** is used to account for proceeds of the 2009, 2010, and 2012 recreation bonds and the recreation projects funded by the bonds.

The County reports the following major proprietary fund:

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

Additionally, the County reports the following fund types:

Internal service funds account for fleet management services and 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)

As a general rule the effects of interfund activity have 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

D. Cash, Cash Equivalents, and Investments (Continued)

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 State Treasurer of the State of Georgia. 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 period 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."

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 September 30, 2012, 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

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.

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. Deferred Inflows of Resources

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

I. 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, 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.

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.

J. 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

K. Fund Equity

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

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. The Board of Commissioners retains the authority to make assignements.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

J. Fund Equity (Continued)

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, 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 position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is 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 typically 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 nine month period ended September 30, 2012. 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 fiscal year-end. The budgets were adopted on the GAAP basis of accounting.

For the period ended September 30. 2012, material excesses (greater than $5,000) of expenditures over appropriations at the department level (the legal level of control), are as follows:

Fund / Department	Excess
General Fund:	
Debt service - interest	$ 46,811
Transfers out	85,237
Insurance Premium Fund - transfers out	300,000
SPLOST V Fund:	
Road surfacing/overlay	329,319
Transfers out	1,280,191
SPLOST 2012 - road and bridge construction	74,745

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

The overages related to the General Fund related to interest accruals on the tax anticipation note which was not budgeted and excess transfers. These over expenditures were funded through the other departments operation under their approved budgets. The Insurance Premium Fund excess expenditures were funded through greater than anticipated revenue collections. The SPLOST V overages were funded through under expending in other budgeted projects. The SPLOST 2012 over expenditures were funded through greater than anticipated revenue collections.

B. Deficit Fund Equity

The CDBG Fund has a total deficit fund balance of $16,731 at September 30, 2012. This will be offset through future transfers from the General Fund. The Resource Recovery Development Authority had an unassigned deficit fund balance of $15,490 at September 30, 2012. This deficit will be eliminated through increased 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 Postion

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. 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 $92,256,141 difference are as follows:

Bonds payable	$	(82,537,000)
Less: Underwriters discount		209,605
Add: Original issue premium		(1,407,520)
Accrued interest payable		(1,447,289)
Capital leases payable		(309,208)
Claims payable		(1,022,137)
Landfill postclosure costs		(2,476,151)
Compensated absences		(3,266,441)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(92,256,141)

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 position 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 $869,787 difference are as follows:

Donations of capital assets	$	2,692,118
Disposal of capital assets		(1,822,331)
Net adjustment to increase *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	869,787

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 position 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 $16,382,546 difference are as follows:

Capital outlay	$	18,636,932
Depreciation expense		(35,019,478)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(16,382,546)

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 states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this $7,825,955 difference are as follows:

Bonds issued	$	(11,410,000)
Principal repayments		3,584,045
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(7,825,955)

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 $941,736 difference are as follows:

Compensated absences	$	(78,677)
Insurance claims		(240,063)
Amortization expense		(251,847)
Landfill monitoring costs		66,373
Accrued interest payable		(437,522)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(941,736)

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 September 30, 2012, the County had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	58 day weighted average	$ 43,483,655
Certificate of deposit	12 months	155,063
Certificate of deposit	15 months	120,000
Certificate of deposit	24 months	120,000
Total		$ 43,878,718

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 September 30, 2012, the County's cash accounts were secured, insured or collateralized in accordance with State law.

NOTE 5. RECEIVABLES

Receivables at September 30, 2012, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Fire District	Insurance Premium	Non-major Governmental Funds
Receivables:				
Property taxes	$ 34,715,118	$ 15,129,286	$ -	$ 4,827,914
Accounts	924,320	10,820	6,971,163	1,072,307
Gross receivables	35,639,438	15,140,106	6,971,163	5,900,221
Less allowance for uncollectibles	485,450	178,960	-	53,935
Net total receivables	$ 35,153,988	$ 14,961,146	$ 6,971,163	$ 5,846,286

	EMS Fund	Non-major Conference Center	Internal Service Funds
Receivables:			
Accounts	$ 16,621,567	$ 10,011	$ 486,188
Less allowance for uncollectibles	14,931,843	-	-
Net total receivables	$ 1,689,724	$ 10,011	$ 486,188

The County bills and collects its own property taxes as well as taxes for the Cherokee County School System ("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.

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	$ 269,489,379	$ 2,464,184	$ -	$ (50,000)	$ 271,903,563
Construction in progress	12,086,370	11,257,581	(6,893,426)	(169,575)	16,280,950
Total	281,575,749	13,721,765	(6,893,426)	(219,575)	288,184,513
Capital assets, being depreciated:					
Buildings and improvements	123,341,467	5,063,917	6,409,330	(1,203,007)	133,611,707
Infrastructure	989,227,950	6,286,474	351,407	-	995,865,831
Vehicles	21,674,242	1,124,653	-	(969,037)	21,829,858
Machinery and equipment	16,696,433	2,491,635	132,689	(182,017)	19,138,740
Total	1,150,940,092	14,966,679	6,893,426	(2,354,061)	1,170,446,136
Less accumulated depreciation for:					
Buildings	24,829,407	2,371,052	-	(112,871)	27,087,588
Infrastructure	291,262,130	30,107,716	-	-	321,369,846
Vehicles	15,715,469	1,204,738	-	(506,369)	16,413,838
Machinery and equipment	12,090,986	1,376,632	-	(132,065)	13,335,553
Total	343,897,992	35,060,138	-	(751,305)	378,206,825
Total capital assets, being depreciated, net	807,042,100	(20,093,459)	6,893,426	(1,602,756)	792,239,311
Governmental activities capital assets, net	$ 1,088,617,849	$ (6,371,694)	$ -	$ (1,822,331)	$ 1,080,423,824

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets for the Fleet Services Internal Service Fund totaling $766,509 with accumulated depreciation of $364,970 are included as part of the above totals for governmental activities at the current period end. Included in the additions for the current period are $7,318,749 of assets which were assumed by the County upon default of the Resource Recovery Development Authority's capital lease receivable.

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:	$ -	$ 7,328	$ -	$ 7,328
Capital assets, being depreciated:				
Machinery and equipment	2,663,710	585,023	(287,972)	2,960,761
Less accumulated depreciation for:				
Machinery and equipment	2,032,847	47,404	(287,972)	1,792,279
Total depreciable capital assets	630,863	537,619	-	1,168,482
Total capital assets, net	$ 630,863	$ 544,947	$ -	$ 1,175,810

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

Governmental activities:	
General government	$ 849,018
Judicial	276,943
Public safety	2,525,022
Public works	30,566,432
Health and welfare	49,345
Culture and recreation	734,977
Housing and development	17,741
Fleet Services Fund	40,660
Total depreciation expense - governmental activities	$ 35,060,138
Business-type activities:	
Emergency medical services	$ 47,404
Total depreciation expense - business-type activities	$ 47,404

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Net Investment in Capital Assets	Governmental Activities	Business-type Activities	Total
Capital assets, nondepreciable	$ 288,184,513	$ -	$ 288,184,513
Capital assets, depreciable, net	792,239,311	1,168,482	793,407,793
Bonds payable	(83,734,915)	-	(83,734,915)
Capital leases payable	(309,208)	-	(309,208)
Unspent bond proceeds	27,139,588	-	27,139,588
	$ 1,023,519,289	$ 1,168,482	$ 1,024,687,771

B. Discretely Presented Component Unit – Cherokee County Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 7,672,753	$ -	$ -	$ 7,672,753
Construction in progress	141,245	197,308	-	338,553
Total	7,813,998	197,308	-	8,011,306
Capital assets, being depreciated:				
Machinery and equipment	1,870,395	-	-	1,870,395
Less accumulated depreciation for				
Machinery and equipment	561,120	70,140	-	631,260
Total capital assets, being depreciated, net	1,309,275	(70,140)	-	1,239,135
Total capital assets, net	$ 9,123,273	$ 127,168	$ -	$ 9,250,441

NOTE 6. CAPITAL ASSETS (Continued)

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	108,567	126,131	-	-	234,698
Total	1,170,567	126,131	-	-	1,296,698
Capital assets, being depreciated:					
Buildings	8,880,550	-	-	-	8,880,550
Improvements	400,353	-	-	-	400,353
Vehicles	89,611	-	-	-	89,611
Furniture and equipment	694,117	32,084	-	-	726,201
Books and collections	4,781,601	312,136	-	(227,441)	4,866,296
Total	14,846,232	344,220	-	(227,441)	14,963,011
Less accumulated depreciation for:					
Buildings	2,886,635	222,015	-	-	3,108,650
Improvements	112,548	20,018	-	-	132,566
Vehicles	76,284	4,046	-	-	80,330
Furniture and equipment	355,458	58,527	-	-	413,985
Books and collections	3,183,979	472,905	-	(227,441)	3,429,443
Total	6,614,904	777,511	-	(227,441)	7,164,974
Total capital assets, being depreciated, net	8,231,328	(433,291)	-	-	7,798,037
Total capital assets, net	$ 9,401,895	$ (307,160)	$ -	$ -	$ 9,094,735

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	$ 1,482,797	$ 5,997	$ -	$ 1,488,794
Improvements	63,836	-	-	63,836
Total	1,546,633	5,997	-	1,552,630
Less accumulated depreciation for:				
Furniture and equipment	1,010,813	182,157	-	1,192,970
Improvements	33,411	6,384	-	39,795
Total	1,044,224	188,541	-	1,232,765
Total capital assets, being depreciated, net	502,409	(182,544)	-	319,865
Total capital assets, net	$ 502,409	$ (182,544)	$ -	$ 319,865

NOTE 7. SHORT-TERM BORROWINGS

During the current period, the County borrowed $1,314,000 in the form a tax anticipation note for the purpose of acquiring land. The interest rate on the tax anticipation note was 4.75%.

Interest was accrued and expended on short-term borrowings for the period ended September 30, 2012, in the amount of $46,811 that is recorded in the General Fund.

The following is a summary of the tax anticipation note payable for the period ended September 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note	$ -	$ 1,314,000	$ -	$ 1,314,000

This amount was paid off by the County prior to December 31, 2012.

NOTE 8. LONG-TERM DEBT

Primary Government

The following is a summary of long-term debt activity for the nine month period ended September 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One year
Governmental activities					
Bonds payable	$ 74,612,000	$ 11,410,000	$ (3,485,000)	$ 82,537,000	$ 10,910,000
Less: discounts	(223,729)	-	14,124	(209,605)	-
Add: premiums	1,169,797	-	237,723	1,407,520	-
Bonds payable, net	75,558,068	11,410,000	(3,233,153)	83,734,915	10,910,000
Capital leases	408,253	-	(99,045)	309,208	138,319
Net OPEB obligations	929,134	-	(47,330)	881,804	-
Claims payable	782,074	921,216	(681,153)	1,022,137	766,602
Compensated absences	3,216,957	2,168,714	(2,088,682)	3,296,989	2,472,741
Landfill postclosure	2,542,524	-	(66,373)	2,476,151	163,738
Governmental activities Long-term liabilities	$ 83,437,010	$ 14,499,930	$ (6,215,736)	$ 91,721,204	$ 14,451,400

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	$ 178,035	$ 95,341	$ (58,296)	$ 215,080	$ 161,310
Business-type activities Long-term liabilities	$ 178,035	$ 95,341	$ (58,296)	$ 215,080	$ 161,310

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 September 30, 2012, 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	37,445,000
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	4,015,000
Recovery zone economic development bond - 2010	4.52%	15 years	2025	10,767,000	10,767,000
Recreation bonds - 2012	1.90%	15 years	2026	11,410,000	9,810,000
					82,537,000
	Plus unamortized premium				1,407,520
	Less unamortized discount				(209,605)
					83,734,915
	Less current maturities				10,910,000
					$ 72,824,915

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 September 30,	Principal	Interest
2013	$ 10,910,000	$ 3,252,910
2014	3,270,000	3,052,299
2015	3,355,000	2,956,954
2016	3,455,000	2,856,323
2017	3,560,000	2,745,616
2018-2022	19,860,000	11,531,842
2023-2027	22,632,000	6,611,027
2028-2032	10,225,000	2,351,638
2033-2037	5,270,000	816,250
Total	$ 82,537,000	$ 36,174,859

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 September 30, 2012, 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 September 30,	
2013	$ 151,374
2014	151,374
2015	25,228
Total minimum lease payments	327,976
Less amount representing interest	18,768
Present value of minimum lease payments	$ 309,208

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 $2,476,151 over the next 13 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 September 30, 2012. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Discretely Presented Component Unit – Cherokee County Development Authority

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	$ 7,128,463	$ -	$ (255,730)	$ 6,872,733	$ 258,641
Cherokee County Development Authority Long-term liabilities	$ 7,128,463	$ -	$ (255,730)	$ 6,872,733	$ 258,641

In 2009, the Cherokee County 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 Cherokee County 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 – Cherokee County Development Authority (Continued)

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

Fiscal year ending September 30,	Principal	Interest
2013	$ 258,642	$ 329,039
2014	271,488	316,192
2015	284,650	303,031
2016	1,859,369	248,079
2017	229,611	218,821
2018-2022	1,351,992	890,169
2023-2027	1,764,676	477,486
2028-2029	852,305	43,463
Total	$ 6,872,733	$ 2,826,280

NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2012, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Insurance Premium Fund	$ 4,157,506
General Fund	EMS Fund	248,486
General Fund	Internal service funds	67,732
General Fund	Nonmajor governmental funds	344,799
SPLOST V Fund	Insurance Premium Fund	3,878
	Total	$ 4,822,401

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	Insurance Premium Fund	$ 300,000
General Fund	Nonmajor governmental funds	54,733
		354,733
Recreation Bond Fund	General Fund	75,000
Nonmajor governmental funds	General Fund	2,228,328
Nonmajor governmental funds	SPLOST V Fund	3,133,188
Nonmajor governmental funds	Nonmajor governmental funds	75,750
		5,437,266
EMS Fund	General Fund	496,709
Nonmajor enterprise funds	Nonmajor governmental funds	75,740
Business-type activities	Governmental activities	452,794
	Total	$ 6,892,242

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) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) to transfer vehicles from governmental activities to the EMS Fund.

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, 2012. Participant counts as of January 1, 2012, (the most recent valuation date) are shown below:

Retirees and beneficiaries receiving benefits	250
Terminated plan participants entitled to future benefits	467
Active employees participating in the Plan	1,122
Total number of Plan participants	1,839

The County's payroll for employees covered by the Plan as of January 1, 2012 (the most recent actuarial valuation date) was $47,628,840 (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 7.80% 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 2012 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 nine months beginning January 1, 2012, (the most recent actuarial valuation date) are as follows:

Derivation of Annual Pension Cost		
Annual Required Contribution	$	2,775,746
Interest on Net Pension Obligation		(133,418)
Amortization of Net Pension Obligation		142,755
Annual Pension Cost	$	2,785,082

Annual Pension Cost (Continued)

Derivation of Net Pension Obligation (Asset)		
Net Pension (Asset) Obligation as of Prior Year	$	(2,315,424)
Annual Pension Cost		2,785,082
Actual Contributions to Plan		(690,913)
Decrease in Net Pension Asset		2,094,169
Net Pension (Asset) Obligation as of End of Period	$	(221,255)

Basis of Valuation	
Current Valuation Date	January 1, 2012
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	4.0 - 6.5% (based on age)
Expected Annual Inflation	2.5%
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 recommended rate which was greater than the minimum rate; therefore, the County had built a reserve in the Plan. This reserve allowed the County to offset the required 2011 and 2012 contributions with these accumulated excesses. The chart below shows the annual pension cost for the current period 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 / Period Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension (Asset) Obligation
1/1/12	$ 2,785,082	690,913	25 %	$ (221,255)
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)

As of the most recent valuation date, January 1, 2012, 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
12/31/11	$ 43,902,279	$ 69,346,191	$ 25,443,912	63.3 %	$ 49,601,173	51.3 %

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, 2012.

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 September 30, 2012, there were 10 active participants in the Plan. The contributions are not available to Plan participants until termination, retirement, death, or 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 nine month period ending September 30, 2012, the County's contribution to the Plan was $25,067. 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 period and prior years along with the percentage actually contributed by the County.

Schedule of Employer Cost and Contributions

Fiscal Year Beginning	Annual OPEB Cost	Actual County Contribution	Percentage of OPEB Cost Contributed	Net OPEB Obligation
1/1/12	$ 146,250 (2)	193,580	132.4 %	$ 881,804
1/1/11	195,000 (1)	69,866	35.8	929,134
1/1/10	443,000	134,233	30.3	804,000

(1) The County and its 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.

(2) The County changed the year end from December 31 to September 30. The 2012 fiscal period was only a nine month reporting period.

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 nine months beginning January 1, 2011, (the most recent actuarial valuation date) are as follows:

Derivation of Annual OPEB Cost	
Annual Required Contribution	$ 142,500
Interest on Net OPEB Obligation	27,000
Adjustments to ARC	(23,250)
Annual OPEB Cost	$ 146,250

Derivation of Net OPEB Obligation	
Net OPEB Obligation as of Prior Year	$ 929,134
Annual OPEB Cost	146,250
Actual Contributions to Plan	(193,580)
Decrease in Net OPEB Obligation	(47,330)
Net OPEB Obligation as of End of Period	$ 881,804

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, open
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 County 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 position as such.

NOTE 13. RISK MANAGEMENT (CONTINUED)

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

Fiscal Year / Period	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2012	$ 782,074	921,216	681,153	$ 1,022,137
2011	1,669,195	294,018	1,181,139	782,074
2010	616,287	2,431,785	1,378,877	1,669,195

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at September 30, 2012, the County has contractual commitments on uncompleted contracts of approximately $22,530,484.

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 nine month period ended September 30, 2012, the County spent $107,240 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 SPLOST V Fund is required to correct the reporting of beginning receivable/revenue balances. The restatement was required to report intergovernmental revenues which were earned and available at December 31, 2011. This restatement resulted in changes to beginning fund balances of the SPLOST V Fund as follows:

	SPLOST V
Fund balance, as previously reported	$ 7,919,298
Report earned and available intergovernmental revenues at December 31, 2011	846,865
Fund balance, as restated	$ 8,766,163

The County has determined that a restatement of beginning net position of Governmental Activities is required to report earned intergovernmental revenues as a result of the adjustment to the SPLOST V Fund. The County has also elected to early implement Governmental Accounting Standards Board (GASB) Statement No. 65. With the implementation of GASB No. 65, the County determined the bond issuance costs should be expensed in accordance with the statement. This restatement resulted in changes to beginning net position of Governmental Activities as follows:

	Governmental Activities
Net Position, as previously reported	$ 1,118,689,212
Report earned and available intergovernmental revenues at December 31, 2011	846,865
Recognition of bond issuance costs in accordance with GASB 65	(989,770)
Net Position, as restated	$ 1,118,546,307

The County has determined that a restatement of the beginning net position of the Development Authority of Cherokee County was required. Previously, the activity of the Development Authority of Cherokee County and the Cherokee County Development Authority were reported as the Development Authority of Cherokee County; however, these are two separate legal entities and as such should be reported as separate component units of the County. A restatement was made to separate the activity and reporting of each entity, as follows:

	Development Authority of Cherokee County
Net Position, as previously reported	$ 3,821,527
Reporting of the Cherokee County Development Authority	(1,893,744)
Net Position, as restated	$ 1,927,783

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)
12/31/2011	$ 43,902,279	$ 69,346,191	$ 25,443,912	63.3%	$ 49,601,173	51.3%
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%

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.

* - Most recent actuarial valuation.

CHEROKEE COUNTY, GEORGIA

MAJOR GOVERNMENTAL FUNDS

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 and 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.

SPLOST 2012

To account for proceeds of a special 1% local sales tax levy approved by voters in 2011 for an authorized period of six years, between July 2012 – June 2018, and for a total amount of up to $185.5 million. The proceeds of this special tax are designated for 1) jail expansion, law enforcement and fire/EMS training facilities & equipment, advanced life support (ALS) vehicles and equipment, and animal shelter facilities & equipment, 2) transportation facilities, equipment, improvements, and airport facilities and expansion, 3) library facilities, 4) senior center facilities, 5) law enforcement, E-911 and county marshal facilities, vehicles and equipment, 6) business & economic development land acquisition, infrastructure, facilities, debt service, sewer system improvements, 7) courthouse expansion, and 8) fire & emergency services facilities, vehicles and equipment.

Recreation Bond

To account for proceeds of park bonds issued in 2009, 2010, and 2012 to fund the various park and recreation projects funded by the proceeds.

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	SPLOST V			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Sales tax	$ 19,200,002	$ 16,800,002	$ 15,018,946	$ (1,781,056)
Intergovernmental	1,202,687	1,202,687	1,489,534	286,847
Investment income	2,250	2,250	12,365	10,115
Other revenues	482,005	482,005	219,203	(262,802)
Total revenues	20,886,944	18,486,944	16,740,048	(1,746,896)
EXPENDITURES				
Distribution to cities	4,328,897	3,696,257	3,409,828	286,429
Senior center expansion	450,000	450,000	278,470	171,530
Road resurfacing/overlay	563,061	163,061	492,380	(329,319)
Road and bridge construction	1,557,661	1,304,301	1,085,952	218,349
Fire protection	3,340,135	1,631,369	637,475	993,894
E-911 communication system	400,000	400,000	168,533	231,467
Roads administration/engineering	1,594,784	1,554,343	503,424	1,050,919
Cherokee County libraries	1,950,000	1,950,000	-	1,950,000
Recreation	5,148,406	5,148,406	2,138,907	3,009,499
Debt service	3,132,088	3,132,088	1,817,524	1,314,564
Sheriff training facility	1,898,102	523,152	735	522,417
Total expenditures	24,363,134	19,952,977	10,533,228	9,419,749
Excess of revenues over expenditures	(3,476,190)	(1,466,033)	6,206,820	7,672,853
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	15,000	15,000
Transfers in	408,414	408,414	-	(408,414)
Transfers out	(267,193)	(267,193)	(1,547,384)	(1,280,191)
Total other financing sources (uses)	141,221	141,221	(1,532,384)	(1,673,605)
Net change in fund balances	(3,334,969)	(1,324,812)	4,674,436	5,999,248
FUND BALANCES, beginning of period, as restated	8,766,163	8,766,163	8,766,163	-
FUND BALANCES, end of period	$ 5,431,194	$ 7,441,351	$ 13,440,599	$ 5,999,248

CHEROKEE COUNTY, GEORGIA

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	SPLOST 2012			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Sales tax	$ 2,400,000	$ 6,508,766	$ 7,686,113	$ 1,177,347
Investment income	-	-	1,036	1,036
Other revenues	-	-	1,418	1,418
Total revenues	2,400,000	6,508,766	7,688,567	1,179,801
EXPENDITURES				
Administration	230,062	192,388	-	192,388
Due to cities	597,644	1,918,185	1,918,185	-
Animal control vehicle	60,000	60,000	-	60,000
County marshal's vehicle	45,000	45,000	-	45,000
Debt service payments	246,196	246,196	246,196	-
Road and bridge construction	736,942	3,525,167	3,599,912	(74,745)
Total expenditures	1,915,844	5,986,936	5,764,293	222,643
Net change in fund balances	484,156	521,830	1,924,274	1,402,444
FUND BALANCES, beginning of period	-	-	-	-
FUND BALANCES, end of period	$ 484,156	$ 521,830	$ 1,924,274	$ 1,402,444

CHEROKEE COUNTY, GEORGIA

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Recreation Bonds			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Investment income	$ 3,600	$ 3,600	$ 7,614	$ 4,014
Miscellaneous	50,000	50,000	25,800	(24,200)
Total revenues	53,600	53,600	33,414	(20,186)
EXPENDITURES				
Administration	228,801	228,801	216,978	11,823
Park construction	14,771,203	14,879,203	7,999,991	6,879,212
Total expenditures	15,000,004	15,108,004	8,216,969	6,891,035
Excess (deficiency) of revenues over expenditures	(14,946,404)	(15,054,404)	(8,183,555)	6,870,849
OTHER FINANCING USES				
Bonds issued	11,400,000	11,400,000	11,410,000	10,000
Transfers in	-	-	75,000	75,000
Total other financing uses	11,400,000	11,400,000	11,485,000	85,000
Net change in fund balances	(3,546,404)	(3,654,404)	3,301,445	6,955,849
FUND BALANCES, beginning of period	21,594,215	21,594,215	21,594,215	-
FUND BALANCES, end of period	$ 18,047,811	$ 17,939,811	$ 24,895,660	$ 6,955,849

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.
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.

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

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.

Hotel/Motel — To account for monies collected from the 6% lodging tax. Revenues collected are restricted by State law for the promotion of tourism.

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.

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.

Debt Service Fund

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

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CHEROKEE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	Special Revenue Funds									
ASSETS	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Parks and Recreation
Cash	$ 65,301	$ 256,969	$ 22,588	$ 97,337	$ -	$ 562,763	$ -	$ 217,525	$ 29,817	$ 99,526
Investments	-	395,063	-	-	-	-	-	-	-	-
Property taxes receivable, net of allowance	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net of allowance	-	213	-	39,335	-	1,280	140,944	-	6,010	76,070
Due from other governments	-	-	86,609	-	224,948	-	-	-	-	-
Prepaids items	-	-	3,504	-	-	-	2,198	110	109	8,366
Total assets	$ 65,301	$ 652,245	$ 112,701	$ 136,672	$ 224,948	$ 564,043	$ 143,142	$ 217,635	$ 35,936	$ 183,962
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts payable	$ -	$ 24,533	$ 27,289	$ -	$ 7,430	$ -	$ 21,923	$ 50,750	$ 3,346	$ 65,629
Accrued liabilities	-	-	23,642	-	10,253	-	20,854	2,336	3,304	45,052
Due to other funds	-	-	-	-	103,838	-	33,468	-	-	-
Unearned revenue - property taxes	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	24,533	50,931	-	121,521	-	76,245	53,086	6,650	110,681
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - charges for services	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT)										
Nonspendable - prepaids	-	-	3,504	-	-	-	2,198	110	109	8,366
Restricted:										
Law library operations	-	627,712	-	-	-	-	-	-	-	-
Senioir services	-	-	58,266	-	-	-	-	-	-	-
Public safety	-	-	-	136,672	-	564,043	-	164,439	29,177	-
Donations for improviements	-	-	-	-	-	-	17,428	-	-	-
Grant activities	-	-	-	-	103,427	-	-	-	-	-
Jail operation and construction	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-	-
Transportation services	-	-	-	-	-	-	-	-	-	-
Committed:										
Jail and inmate services	65,301	-	-	-	-	-	-	-	-	-
Animal control	-	-	-	-	-	-	47,271	-	-	-
Park and recreation activities	-	-	-	-	-	-	-	-	-	64,915
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
Total fund balance (deficit)	65,301	627,712	61,770	136,672	103,427	564,043	66,897	164,549	29,286	73,281
Total liabilities, deferred inflow of resources, and fund balances	$ 65,301	$ 652,245	$ 112,701	$ 136,672	$ 224,948	$ 564,043	$ 143,142	$ 217,635	$ 35,936	$ 183,962

ASSETS	DA Confiscated Assets	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Capital Project Funds: SPLOST IV	Capital Project Funds: Resource Recovery Development Authority	Capital Project Funds: Impact Fees	Debt Service Fund	Total
Cash	$ 91,717	$ -	$ 1,015,469	$ 185,205	$ 933,078	$ -	$ -	$ -	$ -	$ 4,034,915	$ 8,084,476	$ 15,696,686
Investments	-	-	-	-	-	-	-	-	-	-	-	395,063
Property taxes receivable, net of allowance	-	-	-	-	-	-	-	-	-	-	4,773,979	4,773,979
Accounts receivable, net of allowance	-	-	11,550	-	761,518	9,227	-	-	-	26,160	-	1,072,307
Due from other governments	-	163,257	-	-	-	-	205,669	-	-	-	-	680,483
Prepaids items	-	163	5,323	-	5,245	-	2,604	-	304,373	-	-	331,995
Total assets	$ 91,717	$ 163,420	$ 1,032,342	$ 185,205	$ 1,699,841	$ 9,227	$ 208,273	$ -	$ 304,373	$ 4,061,075	$ 12,858,455	$ 22,950,513
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES												
LIABILITIES												
Accounts payable	$ -	$ 119,798	$ 14,435	$ -	$ 30,378	$ -	$ 34,786	$ -	$ 20	$ -	$ -	$ 400,317
Accrued liabilities	-	4,514	-	-	104,981	-	17,795	-	-	-	-	232,731
Due to other funds	-	55,839	-	-	-	9,227	126,957	-	15,470	-	-	344,799
Unearned revenue - property taxes	-	-	-	-	-	-	-	-	-	-	4,864,215	4,864,215
Total liabilities	-	180,151	14,435	-	135,359	9,227	179,538	-	15,490	-	4,864,215	5,842,062
DEFERRED INFLOWS OF RESOURCES												
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	-	24,622	24,622
Unavailable revenue - charges for services	-	-	-	-	179,698	-	-	-	-	-	-	179,698
Total deferred inflows of resources	-	-	-	-	179,698	-	-	-	-	-	24,622	204,320
FUND BALANCES (DEFICIT)												
Nonspendable - prepaids	-	163	5,323	-	5,245	-	2,604	-	304,373	-	-	331,995
Restricted:												
Law library operations	-	-	-	-	-	-	-	-	-	-	-	627,712
Senioir services	-	-	-	-	-	-	-	-	-	-	-	58,266
Public safety	91,717	-	-	185,205	-	-	-	-	-	-	-	1,171,253
Donations for improviements	-	-	-	-	-	-	-	-	-	-	-	17,428
Grant activities	-	-	-	-	-	-	-	-	-	-	-	103,427
Jail operation and construction	-	-	1,012,584	-	-	-	-	-	-	-	-	1,012,584
E911 operations	-	-	-	-	1,379,539	-	-	-	-	-	-	1,379,539
Debt Service	-	-	-	-	-	-	-	-	-	-	7,969,618	7,969,618
Impact fees	-	-	-	-	-	-	-	-	-	4,061,075	-	4,061,075
Transportation services	-	-	-	-	-	-	26,131	-	-	-	-	26,131
Committed:												
Jail and inmate services	-	-	-	-	-	-	-	-	-	-	-	65,301
Animal control	-	-	-	-	-	-	-	-	-	-	-	47,271
Park and recreation activities	-	-	-	-	-	-	-	-	-	-	-	64,915
Unassigned (deficit)	-	(16,894)	-	-	-	-	-	-	(15,490)	-	-	(32,384)
Total fund balance (deficit)	91,717	(16,731)	1,017,907	185,205	1,384,784	-	28,735	-	288,883	4,061,075	7,969,618	16,904,131
Total liabilities, deferred inflow of resources, and fund balances	$ 91,717	$ 163,420	$ 1,032,342	$ 185,205	$ 1,699,841	$ 9,227	$ 208,273	$ -	$ 304,373	$ 4,061,075	$ 12,858,455	$ 22,950,513

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Special Revenue									
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Parks and Recreation
REVENUES										
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Alcoholic beverage taxes				-	-	-	-	-	-	751,958
Other taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	471,971	-	368,549	-	-	-	-	-
Fines and forfeitures	-	97,769	-	85,631	-	100,598	-	243,266	152,530	-
Charges for services	185,112	2,094	4,809	-	-	-	502,176	59,417	-	805,077
Investment income	56	166	-	168	-	406	-	-	-	8
Contributions	-	-	7,872	-	36,500	-	38,135	33,700	-	-
Other	-	-	1,606	-	13,005	4,250	-	-	-	25,368
Total revenues	185,168	100,029	486,258	85,799	418,054	105,254	540,311	336,383	152,530	1,582,411
EXPENDITURES										
Current:										
General governmental	-	-	-	-	-	-	-	-	-	-
Judicial	-	76,863	-	-	58,353	-	-	-	60,448	-
Public safety	165,846	-	-	188,206	130,680	-	688,365	327,608	-	-
Health and welfare	-	-	819,162	-	197,624	8,361	-	-	90,000	-
Culture and recreation	-	-	-	-	-	-	-	-	-	2,280,754
Housing and development	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	165,846	76,863	819,162	188,206	386,657	8,361	688,365	327,608	150,448	2,280,754
Excess (deficiency) of revenues over expenditures	19,322	23,166	(332,904)	(102,407)	31,397	96,893	(148,054)	8,775	2,082	(698,343)
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	385,225	-	35,181	-	180,597	75,750	-	551,442
Transfers out	-	-	-	-	-	(75,750)	-	-	-	-
Total other financing sources (uses)	-	-	385,225	-	35,181	(75,750)	180,597	75,750	-	551,442
Net change in fund balances	19,322	23,166	52,321	(102,407)	66,578	21,143	32,543	84,525	2,082	(146,901)
FUND BALANCES (DEFICIT), beginning of period	45,979	604,546	9,449	239,079	36,849	542,900	34,354	80,024	27,204	220,182
FUND BALANCES (DEFICIT), end of period	$ 65,301	$ 627,712	$ 61,770	$ 136,672	$ 103,427	$ 564,043	$ 66,897	$ 164,549	$ 29,286	$ 73,281

	DA Confiscated Assets	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Capital Project SPLOST IV	Capital Project Resource Recovery Development Authority	Capital Project Impact Fees	Debt Service Fund	Total
REVENUES												
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 578,654	$ 578,654
Alcoholic beverage taxes	-	-	-	-	-	-	-	-	-	-	-	751,958
Other taxes	-	-	-	-	-	107,240	-	-	-	-	-	107,240
Intergovernmental	-	1,169,367	-	-	-	-	333,736	-	-	-	-	2,343,623
Fines and forfeitures	9,147	-	299,437	189,307	-	-	-	-	-	-	-	1,177,685
Charges for services	-	-	-	-	2,872,861	-	247,583	-	-	371,284	-	5,050,413
Investment income	-	-	833	-	423	-	-	-	-	2,366	-	4,426
Contributions	-	-	-	-	-	-	-	-	-	-	-	116,207
Other	-	-	-	-	880	-	-	-	-	-	109,500	154,609
Total revenues	9,147	1,169,367	300,270	189,307	2,874,164	107,240	581,319	-	-	373,650	688,154	10,284,815
EXPENDITURES												
Current:												
General governmental	-	-	-	-	-	-	-	-	15,489	100,000	-	115,489
Judicial	-	-	-	-	-	-	-	-	-	-	-	195,664
Public safety	3,176	-	880,371	95,801	2,917,565	-	-	-	-	-	-	5,397,618
Health and welfare	-	-	-	-	-	-	715,799	-	-	-	-	1,830,946
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	2,280,754
Housing and development	-	1,163,934	-	-	-	31,500	-	-	-	-	-	1,195,434
Debt service:												
Principal	-	-	-	-	-	-	-	-	325,000	-	3,160,000	3,485,000
Interest	-	-	-	-	-	-	-	-	891,343	-	1,217,992	2,109,335
Total expenditures	3,176	1,163,934	880,371	95,801	2,917,565	31,500	715,799	-	1,231,832	100,000	4,377,992	16,610,240
Excess (deficiency) of revenues over expenditures	5,971	5,433	(580,101)	93,506	(43,401)	75,740	(134,480)	-	(1,231,832)	273,650	(3,689,838)	(6,325,425)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	-	-	163,215	124	912,544	-	3,133,188	5,437,266
Transfers out	-	-	(54,733)	-	-	(75,740)	-	-	-	-	-	(206,223)
Total other financing sources (uses)	-	-	(54,733)	-	-	(75,740)	163,215	124	912,544	-	3,133,188	5,231,043
Net change in fund balances	5,971	5,433	(634,834)	93,506	(43,401)	-	28,735	124	(319,288)	273,650	(556,650)	(1,094,382)
FUND BALANCES (DEFICIT), beginning of period	85,746	(22,164)	1,652,741	91,699	1,428,185	-	-	(124)	608,171	3,787,425	8,526,268	17,998,513
FUND BALANCES (DEFICIT), end of period	$ 91,717	$ (16,731)	$ 1,017,907	$ 185,205	$ 1,384,784	$ -	$ 28,735	$ -	$ 288,883	$ 4,061,075	$ 7,969,618	$ 16,904,131

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Sheriff's Commissary			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	-	-	-	-
Charges for services	225,000	225,000	185,112	(39,888)
Investment income	45	45	56	11
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	225,045	225,045	185,168	(39,877)
EXPENDITURES				
Current:				
Judicial	-	-	-	-
Public safety	225,045	225,045	165,846	59,199
Health and welfare	-	-	-	-
Total expenditures	225,045	225,045	165,846	59,199
Excess (deficiency) of revenues over expenditures	-	-	19,322	19,322
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	-	19,322	19,322
FUND BALANCES, beginning of period	45,979	45,979	45,979	-
FUND BALANCES, end of period	$ 45,979	$ 45,979	$ 65,301	$ 19,322

Law Library				Senior Services			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 460,297	$ 467,372	$ 471,971	$ 4,599
102,510	102,510	97,769	(4,741)	-	-	-	-
2,250	2,250	2,094	(156)	11,080	11,080	4,809	(6,271)
850	850	166	(684)	-	-	-	-
-	-	-	-	11,628	11,628	7,872	(3,756)
-	-	-	-	-	-	1,606	1,606
105,610	105,610	100,029	(5,581)	483,005	490,080	486,258	(3,822)
105,610	105,610	76,863	28,747	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	868,230	875,133	819,162	55,971
105,610	105,610	76,863	28,747	868,230	875,133	819,162	55,971
-	-	23,166	23,166	(385,225)	(385,053)	(332,904)	52,149
-	-	-	-	385,225	385,053	385,225	172
-	-	-	-	385,225	385,053	385,225	172
-	-	23,166	23,166	-	-	52,321	52,321
604,546	604,546	604,546	-	9,449	9,449	9,449	-
$ 604,546	$ 604,546	$ 627,712	$ 23,166	$ 9,449	$ 9,449	$ 61,770	$ 52,321

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Confiscated Assets			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	75,000	85,500	85,631	131
Investment income	270	270	168	(102)
Other	-	-	-	-
Contributions	-	-	-	-
Total revenues	75,270	85,770	85,799	29
EXPENDITURES				
Current:				
Judicial	-	-	-	-
Public safety	75,270	188,206	188,206	-
Health and welfare	-	-	-	-
Total expenditures	75,270	188,206	188,206	-
Excess (deficiency) of revenues over expenditures	-	(102,436)	(102,407)	29
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(102,436)	(102,407)	29
FUND BALANCES, beginning of period	239,079	239,079	239,079	-
FUND BALANCES, end of period	$ 239,079	$ 136,643	$ 136,672	$ 29

Multiple Grant				Drug Abuse and Treatment			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 244,735	$ 421,204	$ 368,549	$ (52,655)	$ -	$ -	$ -	$ -
-	-	-	-	126,650	126,650	100,598	(26,052)
-	-	-	-	315	315	406	91
14,185	14,185	13,005	(1,180)	-	-	4,250	4,250
-	36,500	36,500	-	-	-	-	-
258,920	471,889	418,054	(53,835)	126,965	126,965	105,254	(21,711)
54,514	63,166	58,353	4,813	-	-	-	-
26,948	203,961	130,680	73,281	-	-	-	-
216,612	244,002	197,624	46,378	51,215	66,215	8,361	57,854
298,074	511,129	386,657	124,472	51,215	66,215	8,361	57,854
(39,154)	(39,240)	31,397	70,637	75,750	60,750	96,893	36,143
39,154	39,154	35,181	(3,973)	-	-	-	-
-	-	-	-	(75,750)	(75,750)	(75,750)	-
39,154	39,154	35,181	(3,973)	(75,750)	(75,750)	(75,750)	-
-	(86)	66,578	66,664	-	(15,000)	21,143	36,143
36,849	36,849	36,849	-	542,900	542,900	542,900	-
$ 36,849	$ 36,763	$ 103,427	$ 66,664	$ 542,900	$ 527,900	$ 564,043	$ 36,143

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Animal Services			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ -	$ -	$ -
Charges for services	500,965	500,965	502,176	1,211
Contributions	70,057	70,057	38,135	(31,922)
Total revenues	571,022	571,022	540,311	(30,711)
EXPENDITURES				
Current:				
Judicial	-	-	-	-
Public safety	751,619	751,619	688,365	63,254
Health and welfare	-	-	-	-
Total expenditures	751,619	751,619	688,365	63,254
Excess (deficiency) of revenues over expenditures	(180,597)	(180,597)	(148,054)	32,543
OTHER FINANCING SOURCES				
Transfers in	180,597	180,597	180,597	-
Total other financing sources	180,597	180,597	180,597	-
Net change in fund balances	-	-	32,543	32,543
FUND BALANCES, beginning of period	34,354	34,354	34,354	-
FUND BALANCES, end of period	$ 34,354	$ 34,354	$ 66,897	$ 32,543

DUI Court				Victim/Witness			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 175,680	$ 185,441	$ 243,266	$ 57,825	$ 147,450	$ 147,450	$ 152,530	$ 5,080
-	59,417	59,417	-	-	-	-	-
7,000	7,000	33,700	26,700	-	-	-	-
182,680	251,858	336,383	84,525	147,450	147,450	152,530	5,080
-	-	-	-	68,445	68,445	60,448	7,997
258,430	327,608	327,608	-	-	-	-	-
-	-	-	-	90,000	90,000	90,000	-
258,430	327,608	327,608	-	158,445	158,445	150,448	7,997
(75,750)	(75,750)	8,775	84,525	(10,995)	(10,995)	2,082	13,077
75,750	75,750	75,750	-	-	-	-	-
75,750	75,750	75,750	-	-	-	-	-
-	-	84,525	84,525	(10,995)	(10,995)	2,082	13,077
80,024	80,024	80,024	-	27,204	27,204	27,204	-
$ 80,024	$ 80,024	$ 164,549	$ 84,525	$ 16,209	$ 16,209	$ 29,286	$ 13,077

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Parks and Recreation			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 653,400	$ 653,400	$ 751,958	$ 98,558
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	848,447	848,447	805,077	(43,370)
Investment income	10	10	8	(2)
Other	22,580	22,580	25,368	2,788
Total revenues	1,524,437	1,524,437	1,582,411	57,974
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Culture and recreation	2,324,428	2,292,693	2,280,754	11,939
Housing and development	-	-	-	-
Total expenditures	2,324,428	2,292,693	2,280,754	11,939
Excess (deficiency) of revenues over expenditures	(799,991)	(768,256)	(698,343)	69,913
OTHER FINANCING SOURCES (USES)				
Transfers in	551,442	551,442	551,442	-
Transfers out	-	-	-	-
Total other financing sources (uses)	551,442	551,442	551,442	-
Net change in fund balances	(248,549)	(216,814)	(146,901)	69,913
FUND BALANCES (DEFICIT), beginning of period	220,182	220,182	220,182	-
FUND BALANCES (DEFICIT), end of period	$ (28,367)	$ 3,368	$ 73,281	$ 69,913

DA Confiscated Assets				CDBG			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	2,092,046	2,092,046	1,169,367	(922,679)
11,250	11,250	9,147	(2,103)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,250	11,250	9,147	(2,103)	2,092,046	2,092,046	1,169,367	(922,679)
7,500	7,500	3,176	4,324	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,092,046	2,092,046	1,163,934	928,112
7,500	7,500	3,176	4,324	2,092,046	2,092,046	1,163,934	928,112
3,750	3,750	5,971	2,221	-	-	5,433	5,433
-	-	-	-	-	-	-	-
(22,500)	(22,500)	-	22,500	-	-	-	-
(22,500)	(22,500)	-	22,500	-	-	-	-
(18,750)	(18,750)	5,971	24,721	-	-	5,433	5,433
85,746	85,746	85,746	-	(22,164)	(22,164)	(22,164)	-
$ 66,996	$ 66,996	$ 91,717	$ 24,721	$ (22,164)	$ (22,164)	$ (16,731)	$ 5,433

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Jail			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ 319,050	$ 319,050	$ 299,437	$ (19,613)
Charges for services	-	-	-	-
Investment income	900	900	833	(67)
Other	-	-	-	-
Total revenues	319,950	319,950	300,270	(19,680)
EXPENDITURES				
Current:				
Public safety	789,767	941,306	880,371	60,935
Total expenditures	789,767	941,306	880,371	60,935
Excess (deficiency) of revenues over expenditures	(469,817)	(621,356)	(580,101)	41,255
OTHER FINANCING USES				
Transfers out	(54,733)	(54,733)	(54,733)	-
Total other financing uses	(54,733)	(54,733)	(54,733)	-
Net change in fund balances	(524,550)	(676,089)	(634,834)	41,255
FUND BALANCES, beginning of period	1,652,741	1,652,741	1,652,741	-
FUND BALANCES, end of period	$ 1,128,191	$ 976,652	$ 1,017,907	$ 41,255

Sheriff's Forfeiture				E-911			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ 131,965	$ 131,965	$ 189,307	$ 57,342	$ -	$ -	$ -	$ -
-	-	-	-	2,750,000	2,750,000	2,872,861	122,861
-	-	-	-	900	900	423	(477)
-	-	-	-	720	720	880	160
131,965	131,965	189,307	57,342	2,751,620	2,751,620	2,874,164	122,544
131,965	131,965	95,801	36,164	3,128,867	3,128,867	2,917,565	211,302
131,965	131,965	95,801	36,164	3,128,867	3,128,867	2,917,565	211,302
-	-	93,506	93,506	(377,247)	(377,247)	(43,401)	333,846
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	93,506	93,506	(377,247)	(377,247)	(43,401)	333,846
91,699	91,699	91,699	-	1,428,185	1,428,185	1,428,185	-
$ 91,699	$ 91,699	$ 185,205	$ 93,506	$ 1,050,938	$ 1,050,938	$ 1,384,784	$ 333,846

(Continued)

CHEROKEE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Hotel/Motel Tax			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Other taxes	$ 88,850	$ 88,850	$ 107,240	$ 18,390
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Total revenues	88,850	88,850	107,240	18,390
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
Housing and development	31,500	31,500	31,500	-
Total expenditures	31,500	31,500	31,500	-
Excess (deficiency) of revenues over expenditures	57,350	57,350	75,740	18,390
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(57,350)	(57,350)	(75,740)	(18,390)
Total other financing sources (uses)	(57,350)	(57,350)	(75,740)	(18,390)
Net change in fund balances	-	-	-	-
FUND BALANCES, beginning of period	-	-	-	-
FUND BALANCES, end of period	$ -	$ -	$ -	$ -

Transportation Fund			
Budget			Variance With
Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -
479,228	512,477	333,736	(178,741)
276,978	276,978	247,583	(29,395)
756,206	789,455	581,319	(208,136)
905,334	938,583	715,799	222,784
-	-	-	-
905,334	938,583	715,799	222,784
(149,128)	(149,128)	(134,480)	14,648
149,128	149,128	163,215	14,087
-	-	-	-
149,128	149,128	163,215	14,087
-	-	28,735	28,735
-	-	-	-
$ -	$ -	$ 28,735	$ 28,735

(Continued)

CHEROKEE COUNTY, GEORGIA

CAPITAL PROJECT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	SPLOST IV			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ -	$ -	$ -	$ -
Investment income	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current				
General Government	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	124	124
Total other financing sources (uses)	-	-	124	124
Net change in fund balances	-	-	124	124
FUND BALANCES (DEFICIT), beginning of period	(124)	(124)	(124)	-
FUND BALANCES (DEFICIT), end of period	$ (124)	$ (124)	$ -	$ 124

Resource Recovery Development Authority				Impact Fees			
Budget			Variance With	Budget			Variance With
Original	Final	Actual	Final Budget	Original	Final	Actual	Final Budget
$ -	$ -	$ -	$ -	$ 71,000	$ 71,000	$ 371,284	$ 300,284
-	-	-	-	1,800	1,800	2,366	566
-	-	-	-	72,800	72,800	373,650	300,850
-	-	15,489	(15,489)	-	100,000	100,000	-
-	-	325,000	(325,000)	-	-	-	-
608,171	1,216,343	891,343	325,000	-	-	-	-
608,171	1,216,343	1,231,832	(15,489)	-	100,000	100,000	-
(608,171)	(1,216,343)	(1,231,832)	(15,489)	72,800	(27,200)	273,650	300,850
608,171	912,545	912,544	(1)	-	-	-	-
608,171	912,545	912,544	(1)	-	-	-	-
-	(303,798)	(319,288)	(15,490)	72,800	(27,200)	273,650	300,850
608,171	608,171	608,171	-	3,787,425	3,787,425	3,787,425	-
$ 608,171	$ 304,373	$ 288,883	$ (15,490)	$ 3,860,225	$ 3,760,225	$ 4,061,075	$ 300,850

CHEROKEE COUNTY, GEORGIA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Debt Service			
	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 922,908	$ 922,908	$ 578,654	$ (344,254)
Other	109,500	109,500	109,500	-
Total revenues	1,032,408	1,032,408	688,154	(344,254)
EXPENDITURES				
Debt service:				
Principal	3,198,033	3,198,033	3,160,000	38,033
Interest and fiscal charges	1,286,849	1,178,849	1,217,992	(39,143)
Total expenditures	4,484,882	4,376,882	4,377,992	(1,110)
Deficiency of revenues over expenditures	(3,452,474)	(3,344,474)	(3,689,838)	(345,364)
OTHER FINANCING SOURCES				
Transfers in	3,132,088	3,132,088	3,133,188	1,100
Total other financing sources	3,132,088	3,132,088	3,133,188	1,100
Net change in fund balances	(320,386)	(212,386)	(556,650)	(344,264)
FUND BALANCES, beginning of period	8,526,268	8,526,268	8,526,268	-
FUND BALANCES, end of period	$ 8,205,882	$ 8,313,882	$ 7,969,618	$ (344,264)

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Period	Total
2005					
Special Local Option Sales Tax V	$ 200,000,000	$ 177,725,367	$ 160,245,386	$ 10,520,810	$ 170,766,196
2005 Projects:					
City of Canton			$ 12,338,507	$ 1,160,324	$ 13,498,831
City of Mountain Park			27,510	2,587	30,097
City of Woodstock			13,562,728	1,275,451	14,838,179
City of Holly Springs			6,189,886	582,103	6,771,989
City of Ballground			1,920,967	177,218	2,098,185
City of Waleska			1,609,370	151,347	1,760,717
City of Nelson			646,498	60,797	707,295
Total Intergovernmental			36,295,466	3,409,827	39,705,293
Administration building			26,318,927	2,123,467	28,442,394
Tax Commissioner/Marshal Building			4,371,256	-	4,371,256
Transportation facility & equipment			50,024,058	136,068	50,160,126
Park & recreation facility			8,519,273 (1)	2,120,157	10,639,430
Library facility and books			524,835	184,103	708,938
Public safety facilities & equipment			12,722,341	731,742	13,454,083
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	268,062	269,862
Airport			18,508,198	1,547,384	20,055,582
			$ 160,245,386	10,520,810	$ 170,766,196
Transportation facility & equipment paid with rental income				39,228	
Administration building renovations paid with interest earnings				12,364	
Transportation facility & equipment paid with intergovernmental funds				1,414,460	
Insurance Recovery				75,000	
Department of Natural Resources				18,750	
Total expenditures in SPLOST Fund				$ 12,080,612	

(1) Prior year expenditures reduced for amount of expenditures in prior year to be reimbursed by the City of Woodstock. Therefore these expenditures are not Cherokee County SPLOST expenditures.

CHEROKEE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Period	Total
2011					
Special Local Option Sales Tax V	$ 185,500,000	$ 185,490,264	$ -	$ 5,761,840	$ 5,761,840
2005 Projects:					
City of Ballground			$ -	$ 85,713	$ 85,713
City of Canton			-	718,597	718,597
City of Holly Springs			-	278,867	278,867
City of Mountain Park			-	266	266
City of Nelson			-	29,900	29,900
City of Waleska			-	73,089	73,089
City of Woodstock			-	731,753	731,753
Total Intergovernmental			-	1,918,185	1,918,185
Jail Expansion/Enhancements			-	-	-
Fire Training Facility			-	-	-
Sheriff Training Facility			-	-	-
Animal Shelter Renovation			-	-	-
ALS Units (Ambulances)			-	-	-
Sheriff			-	-	-
Animal Control			-	-	-
Marshall			-	-	-
E-911			-	-	-
Courthouse Expansion			-	-	-
Fire/EMS			-	-	-
Senior Center			-	-	-
Transportation Facility & Equipment			-	3,597,459	3,597,459
Airport			-	-	-
Economic Development			-	246,196	246,196
Library facility and books			-	-	-
			$ -	5,761,840	$ 1,918,185
		Transportation facility & equipment paid with interest earnings		1,035	
		Transportation facility & equipment paid with intergovernmental funds		1,418	
		Total expenditures in SPLOST Fund		$ 5,764,293	

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 POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2012

ASSETS	Fleet Services	Insurance and Benefits	Total
CURRENT ASSETS			
Cash	$ 250	$ 2,500,934	$ 2,501,184
Receivables	120	486,068	486,188
Inventories	183,535	-	183,535
Prepaids	1,866	7,364	9,230
NONCURRENT ASSETS			
Capital assets, net of depreciation	401,539	-	401,539
Total assets	587,310	2,994,366	3,581,676
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	49,744	109,610	159,354
Accrued liabilities	24,229	3,474	27,703
Due to other funds	67,732	-	67,732
Compensated absence, due in one year	22,911	-	22,911
NONCURRENT LIABILITIES			
Compensated absence, due in more than one year	7,637	-	7,637
Total liabilities	172,253	113,084	285,337
NET POSITION			
Invested in capital assets	401,539	-	401,539
Unrestricted	13,518	2,881,282	2,894,800
Total net position	$ 415,057	$ 2,881,282	$ 3,296,339

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Fleet Services	Insurance and Benefits	Total
OPERATING REVENUES			
Charges for services	$ 1,081,229	$ 7,257,775	$ 8,339,004
Miscellaneous revenue	395	715,643	716,038
Total operating revenues	1,081,624	7,973,418	9,055,042
OPERATING EXPENSES			
Personal services and employee benefits	507,664	293,790	801,454
Contractual services	25,719	688,350	714,069
Claims paid	-	6,378,108	6,378,108
Supplies	543,873	-	543,873
Depreciation	40,660	-	40,660
Total operating expenses	1,117,916	7,360,248	8,478,164
Operating income (loss)	(36,292)	613,170	576,878
NON-OPERATING REVENUES			
Contributions	40,645	-	40,645
Total non-operating revenues	40,645	-	40,645
Change in net position	4,353	613,170	617,523
NET POSITION, beginning of period	410,704	2,268,112	2,678,816
NET POSITION, end of period	$ 415,057	$ 2,881,282	$ 3,296,339

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Fleet Services	Insurance and Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other funds	$ 1,081,901	$ 6,955,763	$ 8,037,664
Payments to employees	(492,960)	(293,790)	(786,750)
Payments to suppliers for services provided	(588,941)	(7,068,352)	(7,657,293)
Net cash used in operating activities	-	(406,379)	(406,379)
Net decrease in cash and cash equivalents	-	(406,379)	(406,379)
Cash and cash equivalents, beginning of perio	250	2,907,313	2,907,563
Cash and cash equivalents, end of period	$ 250	$ 2,500,934	$ 2,501,184
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:			
Operating income (loss)	$ (36,292)	$ 613,170	$ 576,878
Adjustments to reconcile operating income (loss) net cash proivded by operating activity			
Depreciation	40,660	-	40,660
(Increase) decrease in receivables	277	(302,012)	(301,735)
Decrease in inventory	4,686	-	4,686
Increase in prepaid items	(596)	(426)	(1,022)
Increase (decrease) in accounts payable	6,947	(24,788)	(17,841)
Increase (decrease) in accrued expenses	13,349	(692,323)	(678,974)
Decrease in due to other funds	(30,386)	-	(30,386)
Increase in compensated absences	1,355	-	1,355
Net cash used in operating activities	$ -	$ (406,379)	$ (406,379)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Contributions of capital assets from governmen	$ 40,645	$ -	$ 40,645

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
SEPTEMBER 30, 2012

	Tax Commissioner	Probate Court	Juvenile Court	Clerk of Superior Court
ASSETS				
Cash	$ 3,291,319	$ 11,476	$ 3,986	$ 5,549,744
Taxes receivable	103,864,630	-	-	-
Total assets	$ 107,155,949	$ 11,476	$ 3,986	$ 5,549,744
LIABILITIES				
Due to others	$ 3,291,319	$ 11,476	$ 3,986	$ 5,549,744
Taxes payable to others upon collection	103,864,630	-	-	-
	$ 107,155,949	$ 11,476	$ 3,986	$ 5,549,744

Clerk of State Court	Sheriff	Total
$ 43,942	$ 416,800	$ 9,317,267
-	-	103,864,630
$ 43,942	$ 416,800	$ 113,181,897
$ 43,942	$ 416,800	$ 9,317,267
-	-	103,864,630
$ 43,942	$ 416,800	$ 113,181,897

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Balance January 1, 2012	Increases	Decreases	Balance September 30, 2012
Tax Commissioner				
ASSETS				
Cash	$ 73,806,034	$ 39,265,355	$ 109,780,070	$ 3,291,319
Taxes receivable	10,738,852	188,892,545	95,766,767	103,864,630
Total assets	$ 84,544,886	$ 228,157,900	$ 205,546,837	$ 107,155,949
LIABILITIES				
Due to others	$ 73,806,034	$ 39,265,355	$ 109,780,070	$ 3,291,319
Taxes payable to others upon collection	10,738,852	188,892,545	95,766,767	103,864,630
	$ 84,544,886	$ 228,157,900	$ 205,546,837	$ 107,155,949
Probate Court				
ASSETS				
Cash	$ 7,258	$ 372,145	$ 367,927	$ 11,476
LIABILITIES				
Due to others	$ 7,258	$ 372,145	$ 367,927	$ 11,476
Juvenile Court				
ASSETS				
Cash	$ 5,796	$ 87,868	$ 89,678	$ 3,986
LIABILITIES				
Due to others	$ 5,796	$ 87,868	$ 89,678	$ 3,986

CHEROKEE COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Balance January 1, 2012	Increases	Decreases	Balance September 30, 2012
Clerk of Superior Court				
ASSETS				
Cash	$ 6,148,268	$ 9,603,671	$ 10,202,195	$ 5,549,744
LIABILITIES				
Due to others	$ 6,148,268	$ 9,603,671	$ 10,202,195	$ 5,549,744
Clerk of State Court				
ASSETS				
Cash	$ 68,654	$ 2,320,084	$ 2,344,796	$ 43,942
LIABILITIES				
Due to others	$ 68,654	$ 2,320,084	$ 2,344,796	$ 43,942
Sheriff				
ASSETS				
Cash	$ 338,332	$ 2,706,979	$ 2,628,511	$ 416,800
LIABILITIES				
Due to others	$ 338,332	$ 2,706,979	$ 2,628,511	$ 416,800
Total Agency Funds				
ASSETS				
Cash	$ 80,374,342	$ 54,356,102	$ 125,413,177	$ 9,317,267
Taxes receivable	10,738,852	188,892,545	95,766,767	103,864,630
Total assets	$ 91,113,194	$ 243,248,647	$ 221,179,944	$ 113,181,897
LIABILITIES				
Due to others	$ 80,374,342	$ 54,356,102	$ 125,413,177	$ 9,317,267
Uncollected taxes	10,738,852	188,892,545	95,766,767	103,864,630
	$ 91,113,194	$ 243,248,647	$ 221,179,944	$ 113,181,897

DEVELOPMENT AUTHORITY OF CHEROKEE COUNTY

BALANCE SHEET
SEPTEMBER 30, 2012

	Development Authority of Cherokee County
ASSETS	
Cash	$ 1,739,951
Accounts receivable, net of allowance	25,830
Prepaid items	113,391
Total assets	$ 1,879,172
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 137,308
Accrued liabilities	15,948
Total liabilities	153,256
FUND BALANCE	
Nonspendable - Prepaid assets	113,391
Unassigned	1,612,525
Total fund balance	1,725,916
Total liabilities and fund balance	$ 1,879,172

CHEROKEE COUNTY DEVELOPMENT AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

	Cherokee County Development Authority
REVENUES	
Intergovernmental	$ 582,520
Total revenues	582,520
EXPENDITURES	
Debt Service:	
Principal	255,730
Interest	326,790
Total expenditures	582,520
Net change in fund balance	-
FUND BALANCE, beginning of period	-
FUND BALANCE, end of period	$ -

DEVELOPMENT AUTHORITY OF CHEROKEE COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012

REVENUES		
Intergovernmental	$	231,890
Investment income		2,618
Contributions		11,761
Other		1,250
Total revenues		247,519
EXPENDITURES		
Current:		
Housing and development		449,386
Total expenditures		449,386
Net change in fund balance		(201,867)
FUND BALANCE, beginning of period		1,927,783
FUND BALANCE, end of period	$	1,725,916

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
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	$ 1,023,519,289
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	37,575,187
Unrestricted (deficit)	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	(2,686,819)
Total Governmental Activities Net Position	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	1,058,407,657
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	1,168,482
Unrestricted (deficit)	(665,410)	(1,419,594)	(1,021,454)	3,784,756	4,391,867	3,630,081	1,239,608	147,817	870,092	1,315,162
Total Business-type Activities Net Position	(1,059,690)	(1,586,113)	(1,177,874)	3,788,072	4,377,230	4,554,142	2,039,868	851,256	1,500,955	2,483,644
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	1,024,687,771
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	37,575,187
Unrestricted (deficit)	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	(1,371,657)
Total Primary Government Net Position	$ 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	$ 1,060,891,301

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

CHEROKEE COUNTY, GEORGIA

CHANGES IN NET POSITION, LAST TEN YEARS
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	(Unaudited) 2012*
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	$ 9,829,282
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	8,616,641
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	41,852,318
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	37,963,267
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	3,447,163
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	4,692,484
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	2,328,961
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	2,975,088
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	111,705,204
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	5,516,951
Conference Center							162,963	224,636	326,115	264,837
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	5,781,788
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	117,486,992
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	1,289,956
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	5,036,242
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	5,074,468
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	1,581,672
Health and Welfare	209,628	453,590	52,145	95,475	265,725	193,424	177,837	353,951	373,474	252,392
Culture and Recreation	-	-	-	-	871,830	1,123,960	938,345	1,098,694	1,327,358	805,077
Housing and Development	148,519	321,363	-	-	-	729,171	976,699	848,876	902,726	1,086,243
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	3,615,337
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	4,441,711
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	23,183,098
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	5,338,425
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	12,000
Conference Center:										
Charges for Services	-	-	-	-	-	-	8,059	11,038	13,638	14,610
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	5,365,035
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	28,548,133
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)	(88,522,106)
Business-type Activities	(1,349,690)	(816,393)	(557,675)	770,212	419,104	(2,002,501)	(3,504,859)	(1,734,828)	(585,845)	(416,753)
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)	(103,747,174)	(88,938,859)

(continued)

CHEROKEE COUNTY, GEORGIA

CHANGES IN NET POSITION, LAST TEN YEARS
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	(Unaudited) 2012*
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	6,561,293
Alcoholic beverage taxes	711,227	745,493	722,866	739,005	776,714	879,968	870,004	899,933	870,637	751,958
Vehicle taxes	-	960,471	1,381,058	1,331,248	1,122,201	1,248,798	1,501,321	1,484,307	1,587,195	1,377,748
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	22,705,059
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	6,953,110
Other taxes	516,248	72,286	92,401	104,269	117,815	105,038	82,876	89,491	116,728	107,240
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	467,149
Unrestricted investment earnings	850,784	160,788	762,261	2,462,905	2,627,810	1,270,686	457,225	166,685	42,501	30,406
Gain on sale of capital assets	-	-	-	-	198,995	-	-	-	-	-
Loss on Capital Lease Receivable	-	-	-	-	-	-	-	-	-	(9,545,264)
Transfers	(290,000)	(290,000)	(565,884)	(3,795,734)	(170,054)	(2,179,413)	(797,876)	(404,491)	(974,732)	(1,025,243)
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	28,383,456
Business-type Activities										
Insurance Premium taxes	-	-	400,000	400,000	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	146,706	187,728	260,821	298,599
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	75,600
Transfers	290,000	290,000	565,884	3,795,734	170,054	2,179,413	797,876	404,491	974,732	1,025,243
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	1,399,442
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	29,782,898
Change in Net Position										
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)	(60,138,650)
Business-type Activities	(1,059,690)	(526,393)	408,209	4,965,946	589,158	176,912	(2,560,277)	(1,142,609)	649,708	982,689
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)	(816,038)	(59,155,961)
Net Assets, beginning of period, as restated	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	1,120,190,176
Prior Period Adjustment										(142,914)
Net Assets, end of period	**$ 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**	**$ 1,120,190,176**	**$ 1,060,891,301**

*NOTE: In 2012, the County converted from a calendar fiscal year to a 10/1 – 9/30 fiscal period. However, in the period of conversion the County had to budget a short year from 1/1/2012 – 9/30/2012. This shortened year had a significant impact on total for revenues and expenses.

CHEROKEE COUNTY, GEORGIA

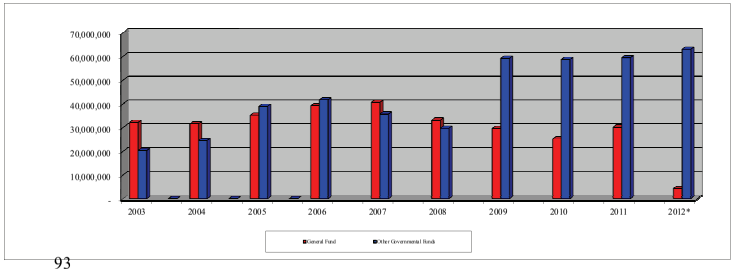
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
General fund										
Reserved	$ 27,511	$ 142,307	$ 151,863	$ 175,525	$ 51,116	$ 175,321	$ 213,815	$ 267,643	$ -	$ -
Unreserved	32,148,803	31,446,335	35,112,334	39,044,154	40,543,543	32,943,772	29,423,015	24,914,065	-	-
Nonspendable:										
Prepaids	-	-	-	-	-	-	-	-	199,244	163,748
Inventory	-	-	-	-	-	-	-	-	5,380	5,134
Assigned for use in subsequent budget	-	-	-	-	-	-	-	-	25,419,651	-
Unassigned	-	-	-	-	-	-	-	-	4,567,170	4,205,633
Total General Fund	**32,176,314**	**31,588,642**	**35,264,197**	**39,219,679**	**40,594,659**	**33,119,093**	**29,636,830**	**25,181,708**	**30,191,445**	**4,374,515**
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	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	9,062,004	11,943,397	28,767,445	19,972,456	15,456,909	7,987,494	4,023,396	6,268,759	-	-
Debt service funds	5,762,711	5,575,779	9,304	-	-	-	-	-	-	-
Nonspendable:										
Prepaids	-	-	-	-	-	-	-	-	682,020	446,502
Restricted:										
Law Library Operations	-	-	-	-	-	-	-	-	604,546	627,712
Senior Services	-	-	-	-	-	-	-	-	8,029	58,266
Public Safety	-	-	-	-	-	-	-	-	1,066,488	1,171,253
Donations for improvements	-	-	-	-	-	-	-	-	16,142	17,428
Grant Activities	-	-	-	-	-	-	-	-	36,849	103,427
Jail operation and maintenance	-	-	-	-	-	-	-	-	1,631,370	1,012,584
E911 operations	-	-	-	-	-	-	-	-	1,423,953	1,379,539
Impact fees - library projects	-	-	-	-	-	-	-	-	449,882	397,914
Impact fees - fire projects	-	-	-	-	-	-	-	-	57,176	154,134
Impact fees - park projects	-	-	-	-	-	-	-	-	621,285	669,924
Impact fees - public safety facility projects	-	-	-	-	-	-	-	-	1,252,305	1,300,247
Impact fees - road projects	-	-	-	-	-	-	-	-	977,380	1,092,657
Impact fees - administration projects	-	-	-	-	-	-	-	-	429,397	446,199
Transportation services	-	-	-	-	-	-	-	-	-	26,131
Debt service	-	-	-	-	-	-	-	-	8,526,268	7,969,618
Cultural and recreation construction	-	-	-	-	-	-	-	-	21,593,785	24,895,111
SPLOST projects	-	-	-	-	-	-	-	-	7,915,351	15,360,142
Unincorporated services	-	-	-	-	-	-	-	-	-	2,583,397
Fire protection services	-	-	-	-	-	-	-	-	12,085,812	3,204,615
Committed:										
Jail and inmate services	-	-	-	-	-	-	-	-	45,979	65,301
Animal services	-	-	-	-	-	-	-	-	16,934	47,271
Park and recreation activities	-	-	-	-	-	-	-	-	216,343	64,915
Unassigned (deficit)	-	-	-	-	-	-	-	-	(203,234)	(32,384)
Total all other governmental funds	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	63,061,903
Total all governmental funds	**$ 52,509,210**	**$ 56,141,021**	**$ 74,289,135**	**$ 80,902,961**	**$ 76,343,575**	**$ 62,894,864**	**$ 88,866,813**	**$ 83,934,943**	**$ 89,645,505**	**$ 67,436,418**

*NOTE: In 2012, the County converted from a calendar fiscal year to a 10/1 – 9/30 fiscal period. However, in the period of conversion the County had to budget a short period from 1/1/2012 – 9/30/2012. This shortened period had a significant impact on property tax revenue recognition since typically the county receives significant tax collections between October and December. Because revenue from the 2012 property tax levy was not recognized in the fiscal period, fund balances for 2012 are not comparable to prior years.

* 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)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	$ 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	$ 40,534,858
Licenses and Permits	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	1,280,779
Fines and Penalties	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	4,819,636
Charges for Services	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	8,792,207
Intergovernmental	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	3,876,650
Investment Earnings	850,784	160,788	762,261	2,462,905	2,627,810	1,270,686	487,214	183,046	51,072	43,807
Other Revenues	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	1,208,636
Total Revenues	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	60,556,573
Expenditures										
General Government	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	7,558,761
Judicial	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	8,910,791
Public Safety	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	37,797,938
Public Works	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	6,739,208
Health and Welfare	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	3,354,025
Housing and Development	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	2,262,564
Culture and Recreation	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	3,905,096
Capital Outlay	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	12,767,749
Debt Service:										
Principal	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	3,584,045
Bond issuance costs	-	-	-	-	568,857	-	496,642	3,607,748	3,754,944	115,525
Interest	827,663	584,171	543,082	1,096,139	1,413,168	2,025,332	3,268,743	134,853	-	2,170,632
Intergovernmental							6,238,285	6,317,565	6,159,277	5,328,013
Total Expenditures	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	94,494,347
Excess (deficiency) of revenues over (under) expenditures	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	(33,937,774)
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	-	11,410,000
Discount on bonds sold	-	-	-	-	(278,332)	-	-	-	-	-
Premium on issuance of bonds							1,825,087		-	-
Capital 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	44,271
Transfers in	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	5,866,999
Transfers out	(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)	(6,439,448)
Total other financing sources (uses)	(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)	10,881,822
Net Change in Fund Balance	(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	(23,055,952)
Fund Balances, beginning of the period (restated)	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
Prior Period Adjustments	(356,982)	8,667,423	-	-	-	(10,627,648)	-	-	-	846,865
Fund Balances, end of period	$ 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	$ 67,436,418
Debt service as a percentage of noncapital expenditures	10.63%	10.24%	10.23%	1.72%	6.11%	8.52%	9.81%	11.92%	12.74%	7.74%

*NOTE: In 2012, the County converted from a calendar fiscal year to a 10/1 – 9/30 fiscal period. However, in the period of conversion the County had to budget a short period from 1/1/2012 – 9/30/2012. This shortened period had a significant impact on property tax revenue recognition since typically the county receives significant tax collections between October and December. Because revenue from the 2012 property tax levy was not recognized in the fiscal period, fund balances for 2012 are not comparable to prior years.

CHEROKEE COUNTY, GEORGIA

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

(Unaudited)

	Program Revenues									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
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	$ 2,158,592
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	5,461,108
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	5,250,300
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	6,133,826
Health and welfare	-	453,590	52,145	95,475	1,209,531	2,245,279	1,774,877	2,309,171	2,304,508	2,262,152
Culture and recreation		-	-	-	1,371,756	1,123,960	938,345	1,120,369	1,377,358	830,877
Housing and development	-	1,069,592	1,078,238	1,412,488	174,510	729,171	976,699	848,876	902,726	1,086,243
Total governmental activit	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	23,183,098
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	5,350,425
Conference Center							29,059 (2)	32,038	34,638	14,610
Total business-type activit	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	5,365,035
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	$ 28,548,133

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

*NOTE: Fiscal Period 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December

CHEROKEE COUNTY, GEORGIA

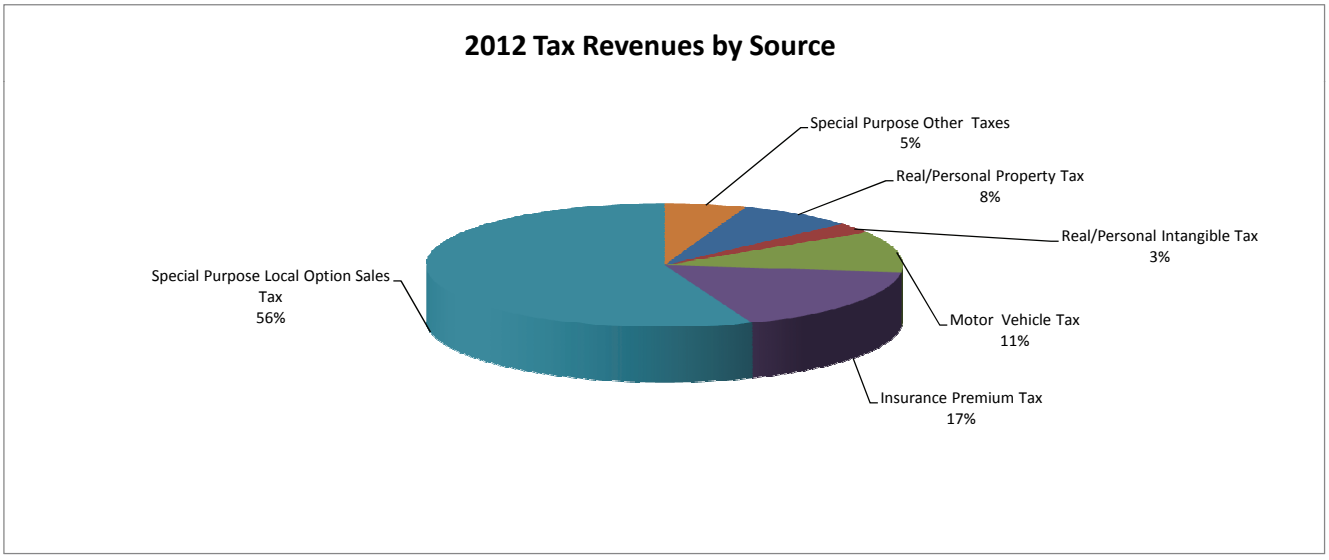
TAX REVENUES BY SOURCE , GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

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

Year Ended	Real/Personal Property Tax	Intangible Tax	Motor Vehicle Tax	Insurance Premium Tax	Special Purpose Local Option Sales Tax	Other Taxes	Total
12/31/2003	34,372,132	2,889,262	4,099,755	4,548,042	24,586,482	537,170	71,032,843
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
9/30/2012*	3,191,463	1,118,726	4,329,554	6,953,110	22,705,059	2,236,946	40,534,858

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short period from 1/1/2012 - 9/30/2012. This had a significant impact on property tax revenue recognition since typically the County receives significant tax collections between October and December.

Please note the 2011 and 2012 tax levies were approximately equal, and as of the date of the CAFR the tax collection rate is on par with prior years.



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	
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
2012*	4,045,193,924	10,112,984,810	795,440,256	1,988,600,640	141,986,494	354,966,235	431,488,680	7,184,006,964	17,960,017,410	30.05

* 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.

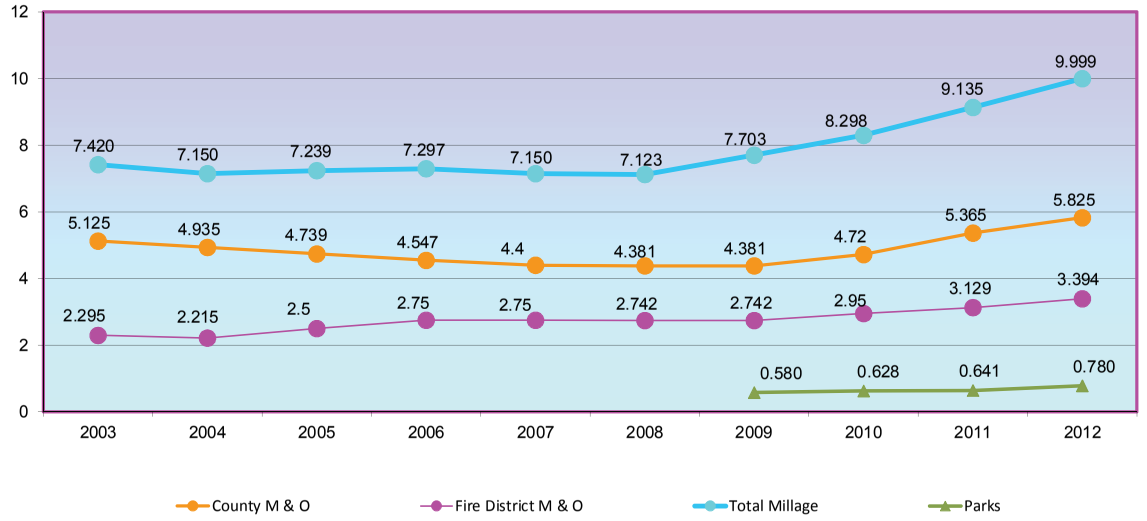
CHEROKEE COUNTY, GEORGIA

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

Year of Levy	General Maintenance and Operations	Fire District Special District	Parks County Wide	Total BOC Rate	State	Schools Maintenance and Operations	Schools Bonded Debt	Schools Total	Total Direct and Overlapping
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	2.5		7.239	0.25	18.450	0.900	19.350	26.84
2006	4.547	2.75		7.297	0.25	18.450	0.500	18.950	26.50
2007	4.4	2.75		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	4.72	2.95	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
2012	5.825	3.394	0.780	9.999	0.20	19.450	0.400	19.850	30.05

Note: In 2008 voters approved a referendum to issue $90 million in bonds to invest in Parks and Greenspace.
The Parks Bond millage rate was implemented in 2009 to cover the debt service related to these bonds.

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 SPLOST	County Schools E-SPLOST	State	Total Sales Tax Rate
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%
2012	1.00%	1.00%	4.00%	6.00%

CHEROKEE COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
SEPTEMBER 30, 2012

(Unaudited)

	2012			2006**		
Taxpayer	Assessed Value	Rank	% of Total Assessment	Assessed Value	Rank	% of Total Assessment
Georgia Power	$ 44,033,761	1	0.61%	29,127,920	2	0.38%
Atlanta Gas Light Company	29,734,428	2	0.41%	32,550,440	1	0.42%
Cobb EMC	23,768,024	3	0.33%	19,180,800	3	0.25%
GLL Selection II Georgia LP	18,149,960	4	0.25%			
Georgia Transmission	15,353,788	5	0.21%	12,752,640	6	0.17%
Windstream Georgia Comm Corp	14,144,924	6	0.20%			
BellSouth Telecommunications	13,024,043	7	0.18%	17,275,760	5	0.22%
CH Realty IV / Woodstock, LLC	12,474,040	8	0.17%			
DDRM Riverstone Plaza LLC	11,033,680	9	0.15%			
Sawnee EMC	9,915,062	10	0.14%			
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%
Alta Woods Phase II LLC				8,250,840	10	0.11%
	$ 191,631,710		2.67%	$ 172,300,206		2.24%

** Source: Cherokee County Tax Commissioners Office

***NOTE: 2006 is the oldest data available.

**** NOTE: % Calculation includes Motor Vehicles

CHEROKEE COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

(Unaudited)

			Collected within the Fiscal Year of the Levy				Total Collections to Date	
Fiscal Year Ended 12/31		Tax Levied for the Calendar Year	Amount	Percentage of Levy	Collections in Subsequent Years	Dates used for previous col.	Amount	Percentage of Levy
2003		36,812,799	27,724,931	75.31%	3,086,752	01-01-04 to 01-31-13	30,811,683	83.70%
2004		39,028,719	30,000,519	76.87%	3,078,575	01-01-05 to 01-31-13	33,079,093	84.76%
2005		39,800,255	33,479,195	84.12%	3,913,663	01-01-06 to 01-31-13	37,392,857	93.95%
2006		42,938,818	38,602,916	89.90%	4,317,028	01-01-07 to 01-31-13	42,919,944	99.96%
2007		47,081,527	42,439,233	90.14%	4,491,436	01-01-08 to 01-31-13	46,930,669	99.68%
2008		51,585,541	43,223,045	83.79%	5,373,364	01-01-09 to 01-31-13	48,596,409	94.21%
2009	**	54,038,156	47,854,035	88.56%	5,985,803	01-01-10 to 01-31-13	53,839,838	99.63%
2010	**	53,438,477	48,273,578	90.33%	5,100,458	01-01-11 to 01-31-13	53,374,036	99.88%
2011	**	55,348,553	50,886,129	91.94%	4,036,852	01-01-12 to 01-31-13	54,922,981	99.23%
2012	**	55,452,483	1,359,612	2.45%	51,553,281	01-01-12 to 01-31-13	1,359,612	2.45%

Source: Cherokee County Tax Commissioner

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short period from 1/1/2012 - 9/30/2012. This had a significant impact on property tax collections since typically the county receives significant tax collections between October and December.

** Includes new tax for Parks and Recreation Bonds approved by voter referendum in 2008

CHEROKEE COUNTY, GEORGIA

TOTAL TAX EXECUTIONS OWNED (FIFAs)
LAST FOUR FISCAL YEARS

(Unaudited)

Year of Tax Levy	12/31/2009	12/31/2010	12/31/2011	9/30/2012*
2003	$ 1,778	$ 1,060	$ 763	$ -
2004	2,432	1,277	1,018	-
2005	2,238	1,556	1,083	886
2006	3,962	2,354	1,380	1,133
2007	42,393	7,324	4,994	3,401
2008	784,551	74,490	13,764	9,624
2009	-	509,817	84,709	30,778
2010	-	-	463,995	125,428
2011	-	-	-	619,129
2012	-	-	-	-
TOTAL	**$ 838,270**	**$ 598,707**	**$ 572,370**	**$ 790,380**

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short period from 1/1/2012 - 9/30/2012. Since FiFas are not executed until property taxes are 30 days delinquent after the December 20th due date, there were no new FiFas for the 2012 Tax Levy.

Source: Cherokee County Tax Commissioner

CHEROKEE COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

	Governmental Activities					Business-Type Activities						
Fiscal Year	General Obligation	Development Authority Bonds	Resource Recovery Development Authority	Development Authority Loans	Capital Leases	Capital Leases	Total Primary Government	% of Personal Income	Per Capita	Population		Personal Income
2003	$ 15,000,000	$ 5,760,000	$ -		$ -	$ -	$ 20,760,000	0.40%	126.51	164,100		31,389
2004	7,500,000	5,105,000	-		-	-	12,605,000	0.23%	73.76	170,885		31,984
2005	20,000,000	4,400,000	-		-	-	24,400,000	0.39%	132.46	184,211		33,981
2006	29,400,000	2,640,000	-		2,610,501	700,751	35,351,252	0.52%	184.02	192,107		35,077
2007	24,608,000	2,040,000	18,145,000		2,012,299	356,871	47,162,170	0.64%	230.78	204,363		36,100
2008	27,535,000	1,405,000	18,145,000		1,385,510	-	48,470,510	0.63%	230.76	210,044		36,580
2009	66,020,000	775,000	18,145,000	5,448,261	867,005	-	91,255,267	1.23%	424.28	215,084	*	34,450
2010	67,097,000	-	18,145,000	7,279,404	534,350	-	93,055,754	1.25%	434.14	214,346		34,780
2011	57,067,000	-	17,545,000	7,109,728	408,254	-	82,129,982	1.02%	376.25	218,286		36,898
2012*	65,317,000	-	17,220,000	6,872,733	309,208	-	89,718,941	n/a	399.80	224,408		n/a

n/a - information was not currently available.

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 blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has not been required to increase the millage rate by 1 millage point, but has assumed responsibility for the debt service payments. The County is actively seeking a replacement operator to assume a significant portion of this debt.

***NOTE:** In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short period from 1/1/2012 - 9/30/2012. Since the County makes our most signifcant debt service payments on April, May, October, and November, FY2012 could appear unusual since only two of four annual debt service payments are shown.

CHEROKEE COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	General Bonded Debt Outstanding: General Obligation	General Bonded Debt Outstanding: Development Authority	General Bonded Debt Outstanding: Resource Recovery Development Authority	Total Primary Government	% of Actual Value of Property	Per Capita	Population	Actual Property Value
2003	$ 15,000,000	$ 5,760,000	$ -	$ 20,760,000	0.15%	126.51	164,100	$ 14,142,000,307
2004	7,500,000	5,105,000	-	12,605,000	0.08%	73.76	170,885	15,505,675,920
2005	20,000,000	4,400,000	-	24,400,000	0.14%	132.46	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	775,000	18,145,000	84,940,000	0.38%	394.92	215,084	22,504,475,815
2010	67,097,000	-	18,145,000	85,242,000	0.41%	397.68	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
2012	65,317,000	-	17,220,000	82,537,000	0.46%	367.80	224,408	17,960,017,410

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 blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has not been required to increase the millage rate by 1 millage point, but has assumed responsibility for the debt service payments. The County is actively seeking a replacement operator to assume a significant portion of this debt.

CHEROKEE COUNTY, GEORGIA

DIRECT GENERAL OBLIGATION AND OVERLAPPING GENERAL OBLIGATION AND GUARANTEED REVENUE DEBT SEPTEMBER 30, 2012

(Unaudited)

General Obligation Debt:		
2005 Issue	$ 3,640,000	
2008 Issue	3,655,000	
2009 Issue	37,445,000	
2010 Issue	10,767,000	
2011 Issue	9,810,000	
Total General Obligation Debt		65,317,000
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	17,220,000	
Total Guaranteed Revenue Debt		17,220,000
Overlapping General Obligation Debt		
Cherokee County School System	334,805,000	
Total Overlapping Debt		334,805,000
Total Direct and Overlapping Debt		$ 417,342,000
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	$ 291.06	
Direct Guaranteed Revenue Debt	76.74	
Overlapping General Obligation Debt	1,491.95	
	$ 1,859.75	

(1) Based on estimated population of 224,408 as provided by Cherokee County Office of Economic Development

** Information is not readily available at this time.

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has not been required to increase the millage rate by 1 millage point, but has assumed responsibility for the debt service payments. The County is actively seeking a replacement operator to assume a significant portion of this debt.

CHEROKEE COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

(dollars in thousands)

(Unaudited)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Assessed Value	$ 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	$ 7,184,007
Debt Limit: 10% of assessed value	565,680	620,227	690,164	772,477	882,275	925,901	900,179	824,655	772,106	718,401
Less: Debt applicable to debt limit	8,000	-	20,000	29,000	25,000	28,000	66,020	67,097	57,067	65,317
Legal Debt Margin	$ 557,680	$ 620,227	$ 670,164	$ 743,477	$ 857,275	$ 897,901	$ 834,159	$ 757,558	$ 715,039	$ 653,084

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has not been required to increase the millage rate by 1 millage point, but has assumed responsibility for the debt service payments. The County is actively seeking a replacement operator to assume a significant portion of this debt.

CHEROKEE COUNTY, GEORGIA

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

(Unaudited)

	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
2003	$ -	$ 615	$ 720	-	$ 21,476	$ 15,782	$ 5,694	$ 7,500	$ 960	0.67
2004	240	655	680	0.18	26,049	19,293	6,756	7,500	641	0.83
2005	258	705	636	0.19	28,002	23,414	4,588	7,500	323	0.59
2006	10,719	560	401	11.15	31,673	31,866	(193)	-	1,087	(0.18)
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	6,325	1,251	0.17
2009	-	725	48	-	26,479	24,942	1,537	6,515	1,049	0.20
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
2012*	-	-	-	-	22,705	8,947	13,758	-	234	58.79

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short period from 1/1/2012 - 9/30/2012. This had a significant impact on revenues collected in comparison to 2011.

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
12/31/2003	164,100	5,197,566	31,389	33.4	27,698	3.90%
12/31/2004	170,885	5,536,638	31,984	34.2	29,416	3.00%
12/31/2005	184,211	6,188,968	33,981	33.6	33,000	3.90%
12/31/2006	192,107	6,778,316	35,077	35.8	35,057	4.40%
12/31/2007	204,363	7,311,828	36,100	33.8	36,276	4.30%
12/31/2008	210,529	7,618,522	36,580	33.0	36,500	8.20%
12/31/2009	215,084	7,311,454	34,450	35.2	38,105	10.01%
12/31/2010	214,346	7,486,312	34,780	34.1	38,585	8.90%
12/31/2011	218,286	8,054,368	36,898	36.3	38,290	7.90%
12/31/2012	224,408	*	*	36.7	39,161	6.90%

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

* Information not yet available.

CHEROKEE COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT PERIOD AND FOUR YEARS AGO

	2012			2008 **		
Employer	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Cherokee County Schools	4,445	1	4.3%	5,000	1	*
Cherokee County Government	1,361	2	1.3%	1,330	2	*
Wal-Mart Associates, Inc.	1,060	3	1.0%			
Publix Supermarkets	932	4	0.9%			
Northside-Cherokee Hospital	870	5	0.8%	740	4	*
Pilgrams Pride Corp.	840	6	0.8%	850	3	*
Chart Inc.	486	7	0.5%	262	7	*
Target	387	8	0.4%			
Reinhardt University	250	9	0.2%	205	9	*
Universal Alloy Corporation	245	10	0.2%	500	5	*
Meyn America, Inc.	-		-	285	6	*
Piolax Corporation	-		-	250	8	*
City of Woodstock	-		-	193	10	*
	10,876		10.53%	9,615		0.00%

* Information is not readily available.

** 2008 is the oldest data available

Source: Cherokee County Chamber of Commerce
Cherokee County Development Authority
Georgia Department of Labor
Cherokee County Mapping Dept

CHEROKEE COUNTY, GEORGIA

EMPLOYEE POSITIONS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Department	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Full Time Positions	5	5	5	5	5	5	5	5	5	5
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL COUNTY COMMISSION	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**
Total Full Time Positions	1	1	1	1	1	1	1	1	1	1
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL COUNTY CLERK	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	5	5	5	4	4	4	4	3	2	2
Total Part Time Positions	1	1	-	-	-	-	-	-	3	2
TOTAL COUNTY MANAGER	**6**	**6**	**5**	**4**	**4**	**4**	**4**	**3**	**5**	**4**
Total Full Time Positions	-	-	2	2	2	2	2	2	2	Dept
Total Part Time Positions	-	-	-	-	-	-	-	-	-	Dissolved
TOTAL COMMUNITY SERVICES	**-**	**-**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**Moved to Cats**
Total Full Time Positions	10	10	9	9	9	9	8	8	7	7
Total Part Time Positions	2	2	2	2	2	2	3	3	2	3
TOTAL VOTER REGISTRATION	**12**	**12**	**11**	**11**	**11**	**11**	**11**	**11**	**9**	**10**
Total Full Time Positions	7	7	8	7	7	7	8	7	7	7
Total Part Time Positions	-	-	-	1	1	1	-	-	-	-
TOTAL FINANCE	**7**	**7**	**8**	**8**	**8**	**8**	**8**	**7**	**7**	**7**
Total Full Time Positions	3	3	1	2	2	2	Moved to	Moved to	Moved to	Moved to
Total Part Time Positions	-	-	1	-	-	-	DSC	DSC	DSC	DSC
TOTAL BUSINESS LICENSES	**3**	**3**	**2**	**2**	**2**	**2**				
Total Full Time Positions							5	5	4	4
Total Part Time Positions							-	-	-	-
TOTAL DEVELOPMENT SERVICE CENTER (DSC)	**-**						**5**	**5**	**4**	4
Total Full Time Positions	2	2	2	2	2	2	2	3	3	3
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL PURCHASING	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**	**3**
Total Full Time Positions	2	2	2	2	2	2	Move to	Move to	Move to	Move to
Total Part Time Positions	-	-	-	-	-	-	**Outside**	**Outside**	**Outside**	**Outside**
TOTAL COUNTY ATTORNEY	**2**	**2**	**2**	**2**	**2**	**2**	**Vendor**	**Vendor**	**Vendor**	**Vendor**
Total Full Time Positions	8	8	10	10	10	10	12	12	12	11
Total Part Time Positions	1	1	-	-	-	-	-	-	-	1
TOTAL INFORMATION TECHNOLOGY	**9**	**9**	**10**	**10**	**10**	**10**	**12**	**12**	**12**	**12**
Total Full Time Positions	3	3	3	4	4	4	4	4	4	4
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL GEOGRAPHICAL INFORMATION	**3**	**3**	**3**	**4**	**4**	**4**	**4**	**4**	**4**	**4**
Total Full Time Positions	3	3	4	4	4	4	4	5	5	5
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL HUMAN RESOURCES	**3**	**3**	**4**	**4**	**4**	**4**	**4**	**5**	**5**	**5**
Total Full Time Positions	34	34	32	32	32	32	31	31	29	26
Total Part Time Positions	-	-	-	-	-	-	1	1	1	2
TOTAL TAX COMMISSIONER	**34**	**34**	**32**	**32**	**32**	**32**	**32**	**32**	**30**	**28**
Total Full Time Positions	31	31	31	33	33	33	33	33	30	30
Total Part Time Positions	-	-	-	-	-	-	1	1	1	1
TOTAL TAX ASSESSOR	**31**	**31**	**31**	**33**	**33**	**33**	**34**	**34**	**31**	**31**
Total Full Time Positions	5	5	5	6	6	6	9	9	9	8
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL PROPERTY MANAGEMENT	**5**	**5**	**5**	**6**	**6**	**6**	**9**	**9**	**9**	**8**
Total Full Time Positions	10	11	11	11	11	11	12	12	11	11
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL FLEET SERVICES	**10**	**11**	**11**	**11**	**11**	**11**	**12**	**12**	**11**	**11**
Total Full Time Positions	3	3	4	4	4	4	4	4	4	6
Total Part Time Positions	12	12	11	13	13	13	15	15	15	15
TOTAL COURT ADMINISTRATION	**15**	**15**	**15**	**17**	**17**	**17**	**19**	**19**	**19**	**21**
Total Full Time Positions	2	2	2	2	2	2	3	3	3	3
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL SUPERIOR COURT	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**	**3**	**3**
Total Full Time Positions	2	2	2	2	2	2	3	3	3	3
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL SUPERIOR COURT LAW CLERKS	**2**	**2**	**2**	**2**	**2**	**2**	**3**	**3**	**3**	3
Total Full Time Positions	2	3	3	1	1	1	1	1	1	1
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL PRE-TRIAL SERVICES	**2**	**3**	**3**	**1**	**1**	**1**	**1**	**1**	**1**	1
Total Full Time Positions				4	4	4	5	4	4	4
Total Part Time Positions				-	-	-	-	-	-	-
TOTAL INDIGENT DEFENSE	**-**	**-**	**-**	**4**	**4**	**4**	**5**	**4**	**4**	**4**
Total Full Time Positions	49	49	47	47	47	47	56	56	54	50
Total Part Time Positions	2	2	4	4	4	4	7	7	8	11
TOTAL CLERK OF COURT	**51**	**51**	**51**	**51**	**51**	**51**	**63**	**63**	**62**	**61**

Source: Cherokee County Human Resources Department

CHEROKEE COUNTY, GEORGIA

EMPLOYEE POSITIONS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Department	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Full Time Positions	24	24	24	25	25	25	26	26	25	23
Total Part Time Positions	-	-	-	-	-	-	-	-	-	1
TOTAL DISTRICT ATTORNEY	**24**	**24**	**24**	**25**	**25**	**25**	**26**	**26**	**25**	**24**
Total Full Time Positions	3	3	3	3	3	3	14	14	8	6
Total Part Time Positions	-	-	-	-	-	-	1	1	3	5
TOTAL MULTIPLE GRANT	**3**	**3**	**3**	**3**	**3**	**3**	**15**	**15**	**11**	**11**
Total Full Time Positions	6	6	6	6	6	6	6	6	6	6
Total Part Time Positions	-	-	-	-	-	-	1	1	-	-
TOTAL STATE COURT	**6**	**6**	**6**	**6**	**6**	**6**	**7**	**7**	**6**	**6**
Total Full Time Positions	11	11	15	16	16	16	23	23	23	23
Total Part Time Positions	2	2	-	3	3	3	2	2	2	2
TOTAL STATE COURT SOLICITOR	**13**	**13**	**15**	**19**	**19**	**19**	**25**	**25**	**25**	**25**
Total Full Time Positions				2	2	2	2	2	3	2
Total Part Time Positions				-	-	-	1	1	1	1
TOTAL DUI COURT	**-**	**0**	**0**	**2**	**2**	**2**	**3**	**3**	**4**	**2**
Total Full Time Positions	6	6	5	6	6	6	2	2	2	2
Total Part Time Positions	7	7	7	6	1	1	5	5	5	5
TOTAL MAGISTRATE COURT	**13**	**13**	**12**	**12**	**7**	**7**	**7**	**7**	**7**	**7**
Total Full Time Positions	8	8	8	8	8	8	10	10	9	9
Total Part Time Positions	-	1	-	-	-	-	-	-	-	-
TOTAL PROBATE COURT	**8**	**9**	**8**	**8**	**8**	**8**	**10**	**10**	**9**	**9**
Total Full Time Positions	5	5	5	5	5	5	6	6	6	6
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL JUVENILE COURT	**5**	**5**	**5**	**5**	**5**	**5**	**6**	**6**	**6**	**6**
Total Full Time Positions	322	345	370	373	373	373	390	388	387	383
Total Part Time Positions	14	16	15	15	15	15	23	23	19	19
TOTAL SHERIFF DEPARTMENT	**336**	**361**	**385**	**388**	**388**	**388**	**413**	**411**	**406**	**402**
Total Full Time Positions	156	160	169	210	210	210	252	252	230	219
Total Part Time Positions	27	28	2	31	31	31	12	12	12	23
TOTAL FIRE DEPARTMENT	**183**	**188**	**171**	**241**	**241**	**241**	**264**	**264**	**242**	**242**
Total Full Time Positions	47	47	49	36	36	36	55	55	55	55
Total Part Time Positions	9	9	-	-	-	-	-	-	-	5
TOTAL EMERGENCY MEDICAL SERVICES	**56**	**56**	**49**	**36**	**36**	**36**	**55**	**55**	**55**	**60**
Total Full Time Positions	1	1	1	1	1	1	1	1	1	1
Total Part Time Positions	2	2	2	2	2	2	2	2	2	2
TOTAL COUNTY CORONER	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**	**3**
Total Full Time Positions	40	42	44	48	48	48	51	51	49	49
Total Part Time Positions	11	14	14	14	14	14	14	14	9	9
TOTAL EMERGENCY-9-1-1	**51**	**56**	**58**	**62**	**62**	**62**	**65**	**65**	**58**	**58**
Total Full Time Positions	4	4	5	5	5	5	6	6	6	6
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL ANIMAL CONTROL	**4**	**4**	**5**	**5**	**5**	**5**	**6**	**6**	**6**	**6**
Total Full Time Positions	17	17	17	17	17	17	16	16	15	15
Total Part Time Positions	-	-	-	-	-	-	2	2	2	2
TOTAL ANIMAL SHELTER	**17**	**17**	**17**	**17**	**17**	**17**	**18**	**18**	**17**	**17**
Total Full Time Positions	-	4	2	2	2	2	2	2	2	2
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL EMERGENCY MANAGEMENT	**-**	**4**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**
Total Full Time Positions	66	66	66	65	65	65	61	64	36	35
Total Part Time Positions	10	10	11	11	11	11	11	10	4	10
TOTAL ROADS AND BRIDGES	**76**	**76**	**77**	**76**	**76**	**76**	**72**	**74**	**40**	**45**
Total Full Time Positions	-	-	-	-	-	-	-	-	31	32
Total Part Time Positions	-	-	-	-	-	-	-	-	7	1
TOTAL SPLOST ROADS AND BRIDGES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**38**	**33**
Total Full Time Positions	1	1	1	1	1	1	1	1	1	1
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL SPLOST ADMINISTRATION	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	5	5	5	5	5	5	3	3	2	3
Total Part Time Positions	4	4	4	4	4	4	3	3	3	3
TOTAL SPLOST ENGINEERING	**9**	**9**	**9**	**9**	**9**	**9**	**6**	**6**	**5**	**6**
Total Full Time Positions	6	6	6	6	6	6	5	5	5	4
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL ENGINEERING DEVELOPMENT	**6**	**6**	**6**	**6**	**6**	**6**	**5**	**5**	**5**	**4**
Total Full Time Positions	-	-	-	-	-	-	9	6	3	3
Total Part Time Positions	-	-	-	-	-	-	-	-	1	1
TOTAL STORMWATER	**-**	**-**	**-**	**-**	**-**	**-**	**9**	**6**	**4**	**4**
Total Full Time Positions	12	12	11	11	11	11	6	6	5	4
Total Part Time Positions	2	2	2	2	2	2	-	-	-	-
TOTAL ENGINEERING	**14**	**14**	**13**	**13**	**13**	**13**	**6**	**6**	**5**	**4**

Source: Cherokee County Human Resources Department

CHEROKEE COUNTY, GEORGIA

EMPLOYEE POSITIONS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Department	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Full Time Positions	6	6	6	6	6	6	1	1	1	1
Total Part Time Positions	2	4	4	4	4	4	2	4	3	4
TOTAL RECYCLING CENTER	**8**	**10**	**10**	**10**	**10**	**10**	**3**	**5**	**4**	**5**
Total Full Time Positions	14	14	15	15	15	15	15	15	15	15
Total Part Time Positions	4	4	4	5	5	5	6	6	6	6
TOTAL SENIOR SERVICES	**18**	**18**	**19**	**20**	**20**	**20**	**21**	**21**	**21**	**21**
Total Full Time Positions	1	1	1	1	1	1	1	1	1	1
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL CONSERVATION ADMINISTRATION	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**	**1**
Total Full Time Positions	17	14	14	14	14	14	12	10	9	7
Total Part Time Positions	4	4	3	3	3	3	-	-	-	-
TOTAL BUILDING INSPECTIONS	**21**	**18**	**17**	**17**	**17**	**17**	**12**	**10**	**9**	**7**
Total Full Time Positions	7	7	7	7	7	7	8	8	7	5
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL PLANNING & ZONING	**7**	**7**	**7**	**7**	**7**	**7**	**8**	**8**	**7**	**5**
Total Full Time Positions	6	6	11	10	10	10	9	9	9	7
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL CODE ENFORCEMENT	**6**	**6**	**11**	**10**	**10**	**10**	**9**	**9**	**9**	**7**
Total Full Time Positions	-	-	-	-	-	-	14	14	13	12
Total Part Time Positions	-	-	-	-	-	-	2	2	3	4
TOTAL CATS	**-**	**-**	**-**	**-**	**-**	**-**	**16**	**16**	**16**	**16**
Total Full Time Positions	-	-	-	-	-	-	5	5	4	4
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL CPRA ADMINISTRATION 6110	**-**	**-**	**-**	**-**	**-**	**-**	**5**	**5**	**4**	**4**
Total Full Time Positions	-	-	-	-	-	-	7	7	8	3
Total Part Time Positions	-	-	-	-	-	-	76	76	68	34
TOTAL CPRA Recreation 6120	**-**	**-**	**-**	**-**	**-**	**-**	**83**	**83**	**76**	**37**
Total Full Time Positions	-	-	-	-	-	-	-	-	-	4
Total Part Time Positions	-	-	-	-	-	-	-	-	-	63
TOTAL CPRA Athletic 6130	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**67**
Total Full Time Positions	-	-	-	-	-	-	17	17	15	15
Total Part Time Positions	-	-	-	-	-	-	-	-	2	5
TOTAL CRPA MAINTENANCE 6220	**-**	**-**	**-**	**-**	**-**	**-**	**17**	**17**	**17**	**20**
Total Full Time Positions	-	-	-	-	-	-	2	2	4	3
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL PROJECTS ENGINEERING	**-**	**-**	**-**	**-**	**-**	**-**	**2**	**2**	**4**	**3**
Total Full Time Positions	-	-	-	-	-	-	3	3	3	2
Total Part Time Positions	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT	**-**	**-**	**-**	**-**	**-**	**-**	**3**	**3**	**3**	**2**
TOTAL FULL TIME EMPLOYEES	978	1,010	1,055	1,098	1,098	1,098	1,252	1,247	1,196	1,158
TOTAL PART TIME EMPLOYEES	116	125	86	120	115	115	190	191	182	239
SUBTOTAL EMPLOYEES BEFORE BREAKDOWN/ADJUSTMENTS	**1,094**	**1,135**	**1,141**	**1,218**	**1,213**	**1,213**	**1,442**	**1,438**	**1,378**	**1,397**
REDUCE FT/PT FOR SHERIFF MILITARY LEAVE									(6)	(5)
REDUCE PT FOR TEMP/SEASONAL POSITIONS							(53)	(53)	(53)	(65)
TOTAL EMPLOYEES AFTER ADJUSTMENTS	**1,094**	**1,135**	**1,141**	**1,218**	**1,213**	**1,213**	**1,389**	**1,385**	**1,319**	**1,327**

Source: Headcount reporting 2003 - 2008 completed with HR reporting system. Headcount 2009 and after completed by Finance.

Note 1: The chart above reflects all FT & PT budgeted positions to include filled, vacant, and temporary positions.
Note 2: Actual Headcount employed by the County would be less than shown since actual headcount includes attrition and vacancies.
Note 3: The primary reasons headcount increased between 2008 - 2009: 20 FT for CRPA transferring into County operations. 42 FT for Fire, 19 for EMS, 17 for Sheriff Office 19 Judicial Services, 14 new grant funded positions.

Source: Cherokee County Human Resources Department

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program		12/31 2003	12/31 2004	12/31 2005	12/31 2006	12/31 2007	12/31 2008	12/31 2009	12/31 2010	12/31 2011	YE 9/30 2012****
Human Resources											
	New hires	289	159	230	244	256	286	111	88	289	488
	Terminations	146	223	185	192	202	309	158	199	204	230
	Employees eligible for health insurance plan	986	998	1,010	1,046	1,135	1,191	1,184	1,111	956	1,121
	Applications received	*	*	820	1,000	1,000	1,859	1,243	2,024	1,145	3,372
	Training classes conducted	*	6	2	9	2	8	8	7	8	4
	Insurance products offered	6	9	10	10	10	10	10	10	10	13
	% Total turnover	12%	19%	16%	16%	15%	12%	10%	14%	12%	9%
	Exit interviews/COBRA	1,116	125	155	154	152	172	32	21	134	88
	Interviews conducted	*	*	400	500	500	500	**	**	**	**
Tax Commissioner											
Tax Assessor											
	Real property parcels	70,870	75,000	79,960	85,285	93,750	94,979	94,979	95,285	95,610	95,406
	Personal property acct.	16,690	13,193	12,015	11,820	12,050	12,645	11,599	12,051	12,667	12,588
	Mobile homes	3,660	3,618	3,577	3,449	3,134	3,047	3,040	2,991	2,938	2,877
	Real property field reviews	14,400	14,430	20,670	26,000	30,000	33,000	21,856	25,600	20,026	30,014
	Personal property audits	250	306	3,495	250	200	425	504	42	6	7
	Mobile home reviews	3,660	3,618	3,577	3,449	3,134	3,047	3,040	2,991	2,938	2,877
	New construction permits	2,242	2,342	2,880	2,860	2,000	1,000	485	486	373	523
	Assessment notices mailed	74,300	78,700	83,730	88,830	97,700	99,500	99,547	99,667	101,480	104,250
	Appeals processed	1,344	1,455	1,465	1,467	5,000	5,000	3,022	2,763	2,800	3,109
Finance											
	Interest earned (in 1000's)	$832	$627	$771	$2,376	$2,597	$1,287	$361	$183	$54	$46
	Accounts payable checks issued	16,504	19,293	17,179	17,926	18,584	22,225	19,010	18,518	17,705	13,499
	Payroll checks issued	11,222	10,021	9,288	8,782	14,560	8,322	7,370	7,848	6,485	4,548
	Payroll direct deposits issued	23,757	24,883	23,638	27,754	36,400	37,700	28,978	29,108	27,893	22,076
	Budget adjustments/amendments	368	362	197	276	175	429	88	64	82	69
Mapping/GIS											
	Total number of parcels	*	*	*	89,204	93,252	93,968	94,240	94,456	94,593	94,865
	Number of parcels added	*	*	*	*	4,048	746	272	216	140	272
Information Technology											
	File servers maintained	*	*	55	66	70	74	75	79	86	88
	PC's maintained	*	*	1,050	1,232	1,260	1,270	1,270	1,275	1,305	1,340
	Terminals maintained	*	*	1	1	1	1	1	***	0	0
	Devices and Peripherals maintained	*	*	900	928	940	920	900	925	955	1,003
	Help desk calls received	*	*	4,100	4,550	2,150	2,212	2,450	2,474	2,497	1,565
	PC installations	*	*	230	161	90	75	70	***	65	60
	Uptime availability - major application servers	*	*	91%	92%	92%	91%	90%	97%	96%	97%
	Help desk calls handled by in-house staff	*	*	99%	99%	99%	99%	99%	96%	95%	96%
	Help desk calls closed within one hour	*	*	45%	46%	47%	45%	45%	***	40%	38%
	Help desk calls closed within 24 hours	*	*	45%	47%	50%	48%	47%	46%	55%	52%
Court Administrative Services											

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	YE 9/30
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012****
Superior Court											
	Total Criminal Dockets	*	*	2,119	2,020	2,749	*	1,296	1,280	1,193	1,171
	Total Criminal Defendants	*	*	2,311	2,246	3,011	*	145	146	1,354	1,303
	Total Felony Dockets	*	*	1,073	1,030	1,447	*	917	1,016	987	941
	Total Felony Defendants	*	*	1,284	1,249	1,707	*	1,056	1,183	2,183	1,068
	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	230
	Criminal Misdeamenor Defendants	*	*	526	576	0	*	269	202	211	235
	Criminal Unified Appeals	*	*	1	0	0	*	0	0	0	0
	Criminal Probation Revocation	*	*	832	767	645	*	746	696	775	774
	General Civil Cases Filed	*	*	956	1,298	1,707	2,341	2,284	1,293	956	926
	Domestic Relations Cases Filed	*	*	2,439	2,294	2,168	2,210	2,129	2,348	2,367	2,156
	Total Civil Cases Filed	*	*	3,395	3,592	3,875	4,551	4,413	3,641	3,323	3,082
	Deeds - Documents Filed								35,213	35,292	32,447
	Deeds - Images Filed								182,539	191,359	184,727
	Leins Filed								22,488	21,620	12,700
	Total UCC Filed								2,202	2,396	1,808
	Trade Names Filed								372	529	370
Pre-Trial Services/Indigent Defense											
Juvenile Court	Delinquent										
	Filed	615	627	695	780	787	796	929	788	777	671
	Disposed	483	625	815	758	812	790	857	828	779	604
	Open	460	460	338	357	328	335	268	256	244	283
	Unruly										
	Filed	304	343	312	365	323	278	163	231	286	264
	Disposed	221	339	355	359	346	300	160	238	280	239
	Open	191	196	154	161	142	151	58	61	72	94
	Termination of Parental Rights										
	Filed	15	13	63	29	42	31	25	27	23	33
	Disposed	22	8	72	24	31	39	19	21	19	25
	Open	10	15	25	30	31	22	17	22	18	27
	Traffic										
	Filed	542	548	444	474	414	307	282	231	268	220
	Disposed	533	536	441	500	380	317	276	225	270	222
	Open	177	188	185	157	192	153	61	56	53	55
	Deprived							369	291	339	*
	Filed							300	234	314	384
	Disposed							186	203	186	338
	Open										208
	Special Proceedings							38	*	31	*
	Filed							30	*	21	47
	Disposed							20	*	28	40
	Open										34
	TOTAL							1,806	*	1,724	*
	Filed							1,642	*	1,672	1,619
	Disposed							610	*	601	1,468
	Open										701
District Attorney											

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	YE 9/30
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012****
	Cases Opened	1,739	1,973	2,123	2,186	1,493	2,323	1,392	2,154	2,294	2,180
	Cases Indicted	1,109	1,567	1,464	1,264	1,444	1,345	1,298	1,286	863	1,171
	Juvenile Cases	1,460	1,099	1,454	1,619	1,513	1,951	1,779	1,606	1,724	1,155
State Court											
	Landlord Tenant/ Dispossessory	*	*	*	*	10	23	18	19	6	4
	All Other Civil	*	*	*	*	2,709	3,633	3,995	3,333	1,907	1,450
	Serious Traffic	*	*	*	*	630	1,059	1,044	886	928	437
	Non-Traffic Misdemeanors	*	*	*	*	2,304	2,581	1,709	1,719	2,023	1,803
	Probation Revocations	*	*	*	*	292	385	512	449	472	0
	All Other Traffic	*	*	*	*	20,620	13,843	9,636	8,122	10,709	6,383
Probate Court											
	Marriage Licenses Issued	*	1,057	1,664	1,159	1,112	1,081	960	1,010	1,037	769
	Firearm Licenses Issued	*	1,186	1,014	1,040	995	2,466	3,064	2,195	2,237	2,224
	Probate Filings	*	1,353	1,379	1,200	1,321	1,417	1,536	1,954	1,986	1,821
	Mental Health Proceedings	*	92	84	62	27	34	37	39	40	34
Magistrate Court											
	Felony arrest	2,697	2,925	3,074	2,836	2,722	2,873	2,808	2,821	1,957	2,135
	Misdemeanor arrest	2,383	2,534	2,852	3,152	3,167	3,802	3,892	3,180	2,635	3,081
	Search warrants	269	418	541	498	544	455	661	639	551	824
	Warrant application hearings	414	380	337	251	212	296	170	268	188	169
	First appearance bond hearings	2,776	5,258	6,286	6,107	6,189	6,600	2,412	3,793	3,423	3,898
	Commitment hearings	113	185	267	142	177	158	147	158	260	147
	Ordinance violations	460	380	672	771	628	651	930	858	325	196
	Claims cases	2,120	3,089	1,950	2,281	2,158	2,448	2,917	3,552	5,996	4,769
	Dispossessories	2,531	2,665	2,825	2,848	2,963	3,340	2,879	3,133	4,493	3,019
	Garnishments	277	267	277	258	321	343	287	270	399	432
	Foreclosures	32	233	57	45	69	53	68	52	18	23
	Abandoned	*	1,136	917	1,208	941	*	648	872	499	439
Law Enforcement											
	Physical Arrests	3,130	3,312	3,637	5,673	4,640	*	5,958	5,405	5680	5409
	Traffic Violations	14,521	14,182	14,278	14,705	16,786	*	10,152	9,442	10,709	10,919
	Sheriff Dispatches	148,400	191,923	207,832	214,000	196,669	*	188,748	180,891	144,253	125,126
Code Enforcement											
	Complaints	5,797	4,987	5,040	13,487	3,172	4,113	4,516	3,958	2,950	1,454
	Warnings	2,855	3,181	2,866	6,070	1,897	2,358	2,649	2,094	1,408	913
	Re-Inspections	2,912	3,917	2,485	6,896	1,463	2,250	3,070	2,649	1,712	782
	Unfounded	417	348	342	580	385	429	457	527	501	270
	N.A.T.	439	1,020	1,111	3,868	471	653	777	982	660	208
	Corrected	2,745	3,212	1,766	5,868	1,697	2,344	2,811	2,811	1,640	860
	Citations	334	281	395	317	302	338	351	351	216	58
Animal Control											
	Complaints	4,404	5,252	4,798	5,036	4,998	3,317	6,218	5,209	4,542	3,172
	Warnings	761	786	1,332	1,095	1,223	1,022	1,269	1,013	949	829
	Re-Inspections	18	15	4	15	254	268	263	287	209	9
	Unfounded	1,193	1,316	1,248	1,443	740	613	1,090	1,352	1,260	1,043
	N.A.T.	1,069	1,243	610	702	558	413	655	716	549	22
	Corrected	1,819	1,847	1,854	1,700	2,624	2,346	3,337	1,736	1,611	1,080

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	YE 9/30
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012******
Citations	155	168	217	305	424	452	507	828	434	108
Animals impounded	2,772	2,224	1,837	2,242	2,161	2,231	2,176	2,193	1,650	1,242
Emergency Management Agency										
EOC activations	12	15	15	15	13	27	9	11	17	2
Total hours EOC activated	215	308	427	83	103	469	538	237	501	10
Weather related damage (in millions)	*	5	6	2	1	49	57	0	20	0
Planning and Zoning										
Rezone cases	*	*	72	102	53	25	19	21	14	6
Zoning board of appeals cases	*	*	87	56	59	38	16	21	12	19
Sign permits	*	*	136	256	16	113	90	101	66	65
Minor subdivision plat	*	*	181	225	185	125	109	90	59	81
Telecommunications towers	*	*	27	18	24	5	21	8	87	44
Zoning Certification Letters	*	*	*	*	*	*	*	18	75	68
Other/copies	*	*	85	39	*	*	*	70	0	0
Building Inspections										
Building Inspections Requested	*	*	*	*	14,902	8,627	6,096	*	5,795	4,854
Building Inspections Conducted	*	*	*	*	14,872	8,481	6,096	*	5,795	4,854
Single-Family building permits	1,749	1,953	1,861	1,664	1	520	210	228	228	290
Miscellaneous permits	*	*	209	701	934	1,220	1,238	838	1,260	225
Additions	343	311	153	330	457	457	274	240	381	263
Accessory structures	234	267	128	171	73	112	57	137	33	56
Manufactured home permits	*	51	22	24	28	29	10	25	14	24
Commercial plan reviews	*	62	202	288	337	376	218	0	221	276
Commercial building permits	*	55	126	207	126	101	189	20	109	128
Business License										
New business licenses	*	*	1,627	1,924	1,589	1,358	1,262	1,096	1,168	743
Business license renewals	*	*	5,277	5,379	6,041	5,748	5,812	5,425	4,283	4,117
Other licenses	*	*	39	25	27	21	*	*	*	323
Solicitors	*	*	33	29	20	7	6	38	27	55
Development Center										
Residential certificates of occupancy	*	*	1,606	1,810	1,449	979	537	417	368	210
Commercial certificates of occupancy	*	*	85	88	153	284	291	219	267	23
Customers assisted at counter	*	*		7,819	6,001	3,886	**	**	10,000	9,711
Erosion control permits issued	*	2,211	2,328	2,425	1,745	86	65	45	54	49
Erosion control re-inspection fees	11,600	3,575	11,050	12,079	6,864	2,375	**1,950	1,000	0	0
Land disturbance permits issued	*	133	129	158	108	66	38	19	48	21
NPDES fees collected	*	73,258	56,272	46,782	19,094	13,251	5,171	7,830	957	1,694
Development plan review	*	*	415	579	412	*	54	70	48	37
Engineering										
Erosion control non-compliance issued	*	516	1,768	2,059	870	399	240	120	124	31
Erosion control stop work order issued	*	75	512	407	130	87	72	31	36	22
Erosion control complaints	*	*	161	169	165	251	316	22	192	138
County maintained traffic signals	*	39	42	45	49	51	53	53	53	53
School flashers maintained	*	15	15	15	15	16	16	16	17	18
Roads and Bridges										

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	YE 9/30
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012****
	Standard-width roads resurfaced	32	29	23	9	15	14	75	10	14	22
	As-is roads resurfaced	6	5	3	4	14	1	0	1	8	10
	DOT LARP resurfaced	41	35	9	37	14	59	57	53	17	8
	Unpaved roads paved	*	4	5	3	3	0	4	2	2	0
	Roads widened w/asphalt	*	*	24	17	15	8	10	4	5	12
	Number of work orders recorded	*	*	1,630	1,244	1,221	1,349	1,525	1,401	1,375	1,019
	Number of work orders completed	*	*	1,384	987	1,093	1,221	1,296	1,225	1,174	924
	Percentage of work orders completed	*	*	85%	79%	89%	91%	85%	87%	85%	91%
Community Services											
	Home Rehabilitation Program:										
	Number of Applications	7	20	6	9	14	6	22	21	10	5
	Homes Rehabilitated	7	10	3	7	7	1	1	5	6	3
	Funds Expended	172,326	180,000	78,840	120,000	161,015	23,525	25,120	134,572	190,295	123,945
5311	Number of Vehicles	*	11	11	12	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	28,880
	Point of Service Revenue	*	*	161,565	177,721	489,076	316,800	152,630	311,186	346,510	276,978
	Average # Trips	*	*	70,000	72,100	74,400	52,000	58,600	59,262	58,012	28,880
5307	Number of Vehicles	*	9	13	16	14	14	14	12	11	11
	Avg # Annual Passengers	*	*	155	185	182	510	305	151	150	113
5307A	Number of Vehicles	*	*	*	4	4	2	2	3	3	2
	Average # of Trips	*	*	*	*	*	7,800	20,030	23,704	27,208	22,741
Voter Registration/Elections											
	Precinct locations	45	45	45	45	45	45	45	44	43	42
	Advance voting locations	0	1	2	4	1	5	1	5	2	5
	Voting units	556	607	607	607	607	607	607	607	607	606
	Express poll	0	0	96	96	96	104	104	104	104	112
	Elections conducted - County	2	6	2	4	1	5	2	2	6	4
	Elections conducted - City									5	1
	Total registered voters	92,447	103,028	102,604	115,464	112,000	119,024	129,056	133,298	136,239	143,863
	Campaign disclosures	87	143	71	151	73	203	78	105	***	n/a
	Poll worker training sessions	1	30	2	43	2	30	10	17	12	26
	Poll workers trained	18	721	20	738	10	1,120	9	932	341	1,284
	Voter awareness sessions	0	0	0	2	0	3	1	0	0	5
	Voter Registration Drives									6	2
	Voter Registration Drive Trainings									1	2
	School Elections									7	4
	Poll worker meet & greets									1	1
	Voter turnout (avg %)	15.79%	41.18%	18.00%	45.00%	6.45%	79.70%	6.82%	58.92%	16.06%	55.50%
	Address/Name & Other Changes									4127	6549
	Confirmation Notices									680	189
	Duplicate Voter Registration Applications									4,210	4,685
	Voter Registration Applications									4,277	5,513
	Transfers									3,816	5,391
	Provisionals									6	137
	Petitions									0	36
	Voters									37,512	208,958
	Absentee									4,814	80,094
	Felons - Deleted									110	139
	Felons - Hearings									48	44
	Deaths - Deleted									1,185	535

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	12/31	YE 9/30
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012****
	Moved - Out of County/State									3,217	4,482
	Voters Deleted for No Activity									3,644	0
	DOJ Submissions									1	5
Recycling Center											
	Recycling revenue	75,824	91,298	116,150	123,262	201,351	205,185	57,150	43,082	40,338	31,661
	Recycled materials in tons		1,889	1,956	1,400	2,087	*	122	936	916	605
Emergency 911											
	All calls	321,884	379,747	382,627	385,627	388,659	388,659	408,715	336,103	331,736	320,339
	Inbound calls	227,827	271,412	278,444	278,129	286,016	286,016	331,091	251,941	252,449	245,828
	Outbound calls	94,057	108,335	104,183	107,498	102,643	102,643	77,624	84,162	79,314	74,511
	Dispatched calls for police	162,301	176,682	194,734	215,548	211,710	211,710	213,911	213,972	198,735	203,210
	Dispatched calls for fire	14,683	16,826	19,518	21,461	18,989	18,989	19,397	19,407	20,647	20,799
	Average time to answer - E911 calls (in sec)	*	*	*	6	5	5	5	6	6	5
	Average time to answer - other calls (in sec)	*	*	*	6	5	5	5	5	5	5
	Call volume 0700hrs - 1900hrs	*	*	*	32%	34%	66%	65%	62%	65%	68%
	Call volume 1900hrs - 0700hrs	*	*	*	68%	66%	34%	35%	35%	35%	32%
Senior Services											
	Home Delivered Meals	*	*	*	36,121	31,082	31,615	50,241	45,609	46,184	34,103
	Alzheimer respite	*	*	*	628	570	536	775	1,814	1,784	421
	Congregate meals	*	*	*	9,750	11,052	11,194	10,295	10,637	11,034	1,094
	Homemaker	*	*	*	3,088	3,442	3,660	3,353	2,415	2,477	1,135
	Transportation - regular	*	*	*	8,784	8,138	9,406	9,727	9,291	9,942	4,659
	Transportation - voucher	*	*	*	382	1,287	3,557	3,341	2,377	2,176	1,575
	Caregiver program - group	*	*	*	12	22	14	20	21	484	20
	Volunteer services and training	*	*	*	10,500	10,025	10,650	12,000	12,000	12,000	5,026
	Case management	*	*	*	2,596	4,260	4,054	3,031	2,581	1,984	1,006
	Information and referral	*	*	*	8,087	8,708	8,322	2,516	2,880	3,525	1,119
	Senior Recreation Group									413	24
	Volunteer aging council referrals	*	*	*	25	28	36	32	31	20	27
Animal Services											
	Received	6,275	6,064	5,703	5,886	6,541	6,248	6,414	5,691	5,369	5,301
	Adopted	1,802	1,690	1,419	1,337	1,546	1,257	1,246	1,159	1,565	1,257
	Returned to owner	580	486	557	594	563	514	479	441	453	459
	Sent to rescue	557	647	676	1,043	889	841	869	933	341	222
	Escaped	30	21	0	10	4	4	3	3	4	4
	Euthanized	3,213	3,120	2,959	2,644	2,998	3,601	3,701	2,834	2,907	3,143
	Died in Shelter/DOA	30	26	31	122	107	125	41	201	93	125
	Stolen	4	2	0	0	0	0	0	0	0	0
	Emergency Clinic	59	72	40	0	0	0	0	0	0	0
	Foster	*	*	*	3	11	2	0	1	0	0
	Owner Authorized Euthanized	*	*	21	3	13	3	0	80	93	120
DUI Court											
	Persons Screened	*	*	323	997	835	761	737	664	665	510
	Persons Eligible from Initial Screening	*	*	78	208	160	127	124	106	117	111
	Persons Entered Into Treatment Court	*	*	26	96	82	86	60	67	72	63
	Persons Graduated From Treatment Court	*	*	*	57	60	70	47	46	40	45

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

		12/31 2003	12/31 2004	12/31 2005	12/31 2006	12/31 2007	12/31 2008	12/31 2009	12/31 2010	12/31 2011	YE 9/30 2012****
Fire											
	Emergency Responses	11,511	15,227	15,800	16,310	17,141	16,537	16,281	17,604	19,215	18,820
	Fires Extinguished	458	570	584	740	744	560	466	541	580	655
	Rescue	82	36	33	20	11	26	43	29	34	27
	Hazardous Condition	668	876	821	899	1,138	1,092	934	778	992	686
	Service Call	678	653	587	667	668	600	627	761	935	796
	Good Intent/False Call	1,791	1,987	2,144	2,330	2,401	2,372	2,265	2,455	2,619	2,523
	Other	182	262	318	298	423	390	340	423	724	362
	Fire Investigations	99	117	120	121	91	112	97	107	76	82
	Inspections	*	*	*	1,389	1,492	1,371	1,322	1,593	712	693
	Plans Reviews	*	*	*	900	1,057	754	763	580	304	301
	Fire Prevention/No. 5th grade students	1,681	1,694	1,783	2,126	2,780	2,803	1,280	2,215	2,586	887
	Fire Prevention/No. Kindergarden students	2,081	2,162	2,434	2,838	3,054	2,908	2,853	1,698	488	2,538
	Internal Investigations									12	6
	Background Investigations									369	207
Emergency Medical Services											
	EMS Dispatches	7,554	10,782	11,243	11,252	11,756	11,497	11,606	11,010	13,331	13,771
Fleet Maintenance											
	Repair orders processed	4,552	5,556	5,844	5,796	4,896	5,575	4,718	4,726	4,316	3,609
	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	1,901
	Medium duty vans/squads maintained	*	*	200	260	445	507	1,233	1,229	1,148	1,052
	Heavy duty truck/equipment maintained	*	*	200	208	301	321	1,326	1,325	955	656

* 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
****NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

Source-Various County Departments noted above

CHEROKEE COUNTY, GEORGIA

CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
Governmental											
	Buildings/Land	7	7	7	11	18	19	23	22	22	19
	Vehicles	21	21	21	21	27	29	30	32	31	31
Judicial											
	Buildings/Land	1	1	1	1	1	1	1	1	1	1
	Vehicles	15	17	18	17	18	20	19	21	19	19
Sheriff/Law Inforcement											
	Buildings/Land	7	9	9	9	10	10	11	11	11	11
	Vehicles	220	221	227	227	261	258	274	281	261	268
Fire/EMA											
	Fire Stations/Land	18	19	19	19	19	19	20	21	20	21
	Vehicles	55	56	58	56	58	60	58	78	79	81
	Pumpers/Tankers	35	36	37	36	37	38	40	40	38	38
Animal Shelter/Animal Control											
	Building/Land	2	2	2	2	2	2	2	2	2	2
	Vehicles	8	8	9	10	8	8	8	8	8	8
Public Works											
	Buildings/Land	8	9	9	9	9	9	9	9	9	9
	Street Miles	1,077	1,123	1,172	1,190	1,193	1,226	1257	1275	1283	1285
	Traffic Signals	34	37	43	48	47	51	52	52	52	52
	Bridges/Culverts	68	68	68	69	69	69	70	70	70	70
	Vehicles	54	56	60	65	71	70	64	65	64	63
	Machinery & Equipment	54	58	60	61	65	63	60	59	56	57
Health Welfare											
	Buildings/Land	3	3	3	3	3	3	3	3	3	3
	Vehicles	0	1	1	1	19	18	18	4	6	6
Culture/Recreation											
	Buildings/Land	10	13	13	13	13	23	33	61	57	58
Code Enforcement											
	Buildings/Land	3	4	4	4	5	5	3	3	3	3
	Vehicles	18	18	18	20	21	21	19	18	17	17
Environmental Health											
	Vehicles	0	0	2	4	2	2	2	2	2	2
Ball Ground Recycling											
	Buildings/Land										6
	Machinery & Equipment										44
		1,718	**1,787**	**1,861**	**1,896**	**1,976**	**2,024**	**2,076**	**2,138**	**2,114**	**2,174**

Source: Cherokee County Finance Department