GILMER COUNTY, GEORGIA

Annual Financial Report

For the year ended December 31, 2015

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GILMER COUNTY, GEORGIA
FINANCIAL REPORT
For the year ended December 31, 2015

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Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Gilmer County, Georgia

Report on Financial Statements

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 Gilmer County, Georgia, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Gilmer County Department of Public Health which is a component unit of Gilmer County, Georgia. The Gilmer County Department of Public Health represents 99.9 percent, (100.1) percent, and 100 percent, respectively, of the assets, net position, 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 Department of Public Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gilmer County, Georgia, as of December 31, 2015, and the respective changes in the financial position and the budgetary comparison of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gilmer County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, and the state reporting section with the Schedule of Projects Financed with Special Purpose Local Option Sales Tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, and the special purpose local option sales tax report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, and the Schedule of Projects Financed with Special Purpose Local Option Sales Tax are fairly stated in all material respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, Gilmer County, Georgia's basic financial statements for the year ended December 31, 2014, which are not presented with the accompanying financial statements. In our report dated June 29, 2015, we expressed unmodified opinions on the respective financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gilmer County's basic financial statements as a whole. The combining and individual fund financial statements and schedules related to the 2014 financial statements are presented for the purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules related to the 2014 financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the 2014 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2016, on our consideration of Gilmer County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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* in considering Gilmer County, Georgia's internal control over financial reporting.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
June 23, 2016

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GILMER COUNTY
BOARD OF COMMISSIONERS

Charlie Paris, Chairman
Dallas H. Miller, Post 1 Commissioner
Travis Crouch, Post 2 Commissioner

Kim Rogers, **County Clerk**
Sandi Holden, **Finance Officer**
David Clark, **County Attorney**

GILMER COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

Our discussion and analysis of Gilmer County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2015.

USING THE DECEMBER 31, 2015 AUDIT

The audit of Gilmer County, Georgia for the fiscal year ended December 31, 2015 consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (pages 9-11) provide information about the activities of the County as a whole. The Fund financial statements begin on page 12. These statements provide a more detailed view of the governmental activities of the County and explain how these services were financed in the short term as well as what remains for future spending.

REPORTING THE COUNTY AS A WHOLE

The Statement of Net Position and Statement of Activities include all the County's assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All the fiscal year revenue and expenses are taken into account regardless of when cash is received or paid.

For purposes of implementing GASB 34, Gilmer County is considered a phase II government. The County retroactively added infrastructure, such as roads, rights of way, bridges and other similar type items in the December 31, 2006 financial statements.

REPORTING THE COUNTY'S FUNDS

The Fund Financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law or by bond covenants. The County establishes and maintains many other funds to help control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

THE COUNTY AS A WHOLE

Condensed Statement of Net Position

Table 1 below presents the County's condensed Statement of Net Position as of December 31, 2015 as it compares to the previous fiscal year. On August 1, 2013, the County began operating the Whitepath Golf Course as a business type activity. The net position of the golf course is also presented below.

Table 1: Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	$ 13,603,817	$ 13,105,926	$ (31,907)	$ (15,160)	$ 13,571,910	$ 13,090,766
Capital assets	79,058,197	79,979,481	67,616	0	79,125,813	79,979,481
Total assets	92,662,014	93,085,407	35,709	(15,160)	92,697,723	93,070,247
Deferred inflows of resources						
Deferred charges on refunding	1,150,422	448,515	0	0	1,150,422	448,515
Current liabilities	4,328,917	3,477,454	12,267	12,894	4,341,184	3,490,348
Noncurrent liabilities	47,836,979	48,429,406	0	0	47,836,979	48,429,406
Total liabilities	52,165,896	51,906,860	12,267	12,894	52,178,163	51,919,754
Net position:						
Net investment in capital assets	29,610,648	30,386,482	67,616	0	29,678,264	30,386,482
Restricted	5,303,398	6,537,902	0	0	5,303,398	6,537,902
Unrestricted	6,732,494	3,805,648	(44,174)	(28,054)	6,688,320	3,777,594
Total net position	$ 41,646,540	$ 40,730,032	$ 23,442	$ (28,054)	$ 41,669,982	$ 40,701,978

The County uses its capital assets to provide services to the citizens and businesses in the County, consequently, this net position is not available for future spending.

Restricted net position is resources that are restricted in their use. The majority of restricted assets represent funds to construct capital projects outlined in the County's General Obligation Bond Capital Improvement Plan.

Condensed Statement of Activities

Table 2 below presents the County's condensed Statement of Activities for the fiscal year ended December 31, 2015 compared to the previous year.

Table 2: Condensed Statement of Activities

Revenues	Governmental Activities 2015	Governmental Activities 2014	Business-Type Activities 2015	Business-Type Activities 2014	Total 2015	Total 2014
Program revenues:						
Charges for services	$ 3,401,882	$ 3,429,877	$ 401,302	$ 377,106	$ 3,803,184	$ 3,806,983
Operating grants and contributions	369,198	443,634	0	0	369,198	443,634
Capital grants and contributions	705,244	1,279,287	0	0	705,244	1,279,287
General revenues:						
Property taxes	10,353,672	10,534,969	0	0	10,353,672	10,534,969
Sales tax	6,697,223	6,485,002	0	0	6,697,223	6,485,002
Hotel/Motel	489,359	405,167	0	0	489,359	405,167
Insurance Premium	1,375,325	1,284,129	0	0	1,375,325	1,284,129
Other taxes	295,939	250,148	0	0	295,939	250,148
Other revenue	255,464	262,152	121	122	255,585	262,274
Total revenues	23,943,306	24,374,365	401,423	377,228	24,344,729	24,751,593
Expenses						
General Government	3,187,101	2,993,868	0	0	3,187,101	2,993,868
Judicial	2,196,139	2,001,290	0	0	2,196,139	2,001,290
Public Safety	9,805,732	9,832,196	0	0	9,805,732	9,832,196
Public Works	2,990,350	3,035,629	0	0	2,990,350	3,035,629
Health and Welfare	370,182	415,082	0	0	370,182	415,082
Culture and Recreation	1,269,191	1,143,150	0	0	1,269,191	1,143,150
Housing and Development	582,541	498,975	0	0	582,541	498,975
Interest on long-term debt	1,941,689	2,327,019	0	0	1,941,689	2,327,019
White Path Golf Course	0	0	396,113	332,969	396,113	332,969
Total expenses	22,342,925	22,247,209	396,113	332,969	22,739,038	22,580,178
Increase (decrease) in net position before transfers	1,600,381	2,127,156	5,310	44,259	1,605,691	2,171,415
Transfers	(46,186)	57,915	46,186	(57,915)	0	0
Increase (decrease) in net position	1,554,195	2,185,071	51,496	(13,656)	1,605,691	2,171,415
Net position-beginning, restated	40,730,032	38,544,961	(28,054)	(14,398)	40,701,978	38,530,563
Prior period adjustment	(637,687)	0	0	0	(637,687)	0
Net position-beginning, restated	40,092,345	38,544,961	(28,054)	(14,398)	40,064,291	38,530,563
Net position-ending	$ 41,646,540	$ 40,730,032	$ 23,442	$ (28,054)	$ 41,669,982	$ 40,701,978

During the fiscal year ending December 31, 2015 the net position of Gilmer County's governmental activities increased $1,554,195. Revenues decreased $431,059 from the previous fiscal year and expenditures increased $95,716 compared to FY 2014.

Approximately 43% of the County's revenue came from property taxes, 37% came from other taxes and revenues, and the balance of 20% came from charges for services, grants and other sources.

The County's expenses cover a wide range of services with 44% allotted to public safety, 13% to public works, 14% to general government services, and the remaining 29% to judicial, health and welfare, parks and recreation and other programs.

THE COUNTY'S FUNDS

The governmental funds statements provide information on inflows, outflows and ending fund balance resources available for spending. This information is useful in determining the County's financing requirements. The unassigned fund balance serves as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of December 31, 2015, the County's governmental funds reported a combined ending fund balance of $11,269,166, of which $4,092,852 is unassigned fund balance, $5,303,398 is restricted for specific purposes, and $1,872,916 is nonspendable fund balance.

The General Fund – the operating fund of the County – had a net decrease in unassigned fund balance of $403,640 compared to FY 2014.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

At December 31, 2015, Gilmer County reported $79,058,197 in capital assets for governmental activities. Additional information on Gilmer County's capital assets can be found in Note 9 to the Financial Statements on pages 44-45 of this report.

At December 31, 2015, long-term debt was $50,232,406 compared to $50,023,921 at December 31, 2014. This long-term debt amount includes:

a) Repayment of capital lease through the Gilmer County Building Authority for the construction of a new Courthouse and Library

b) Repayment of $30 million General Obligation bonds for infrastructure and capital improvements

c) Repayment of $7.5 million 2008 revenue bonds to complete Phase II of the Courthouse, construct parking areas, and renovate the facility previously housing the Gilmer County Library for use as a satellite campus of Dalton State College.

d) Other capital leases for vehicles and equipment.

Additional information on Gilmer County's long-term debt can be found in Notes 11 and 12 to the Financial Statements on pages 46-50 of this report.

GENERAL FUND BUDGET HIGHLIGHTS

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year. Budgeted expenditures in total increased from original to final budgets. Revenue budgets were expected to remain at or slightly below 2014 levels.

ECONOMIC CONDITION AND OUTLOOK

Gilmer County has fared relatively well under the still weakened economy that we've experienced over the past few years. Several factors were considered during preparation of the budget for fiscal year 2016, including the following:

a) Possible increases or decreases in revenues, particularly property, sales, and hotel/motel taxes.

b) Fluctuations in the price of fuel due to market instability.

c) Unforseen natural disasters, such as tornadoes, storms, etc.

d) Capital outlay requirements for vehicles, equipment and program expansions to improve public services to the community.

CONCLUSION

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the County's financial condition and to show the County's accountability for the money it receives. If you have questions concerning this report or need additional financial information, please contact Gilmer County Board of Commissioners at 1 Broad Street, Suite 106, Ellijay, Georgia 30540.

Separately issued financial statements may be obtained for the Gilmer County Department of Public Health which is shown as a component unit of Gilmer County at the following address:

Georgia Department of Human Resources
Northwest Health District
111 Bryant Crossing, Suite AA
Dalton, Georgia 30720

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BASIC FINANCIAL STATEMENTS

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GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 9,099,399	$ 81,267	$ 9,180,666	$ 363,188
Restricted assets				
Cash and cash equivalents	426,902	0	426,902	0
Receivables (net)				
Accounts	357,085	0	357,085	47,420
Intergovernmental	47,243	0	47,243	886
Taxes	1,657,670	0	1,657,670	0
Inventories	6,687	0	6,687	691
Prepaids	1,895,657	0	1,895,657	0
Internal balances	113,174	(113,174)	0	0
Total current assets	13,603,817	(31,907)	13,571,910	412,185
Noncurrent assets				
Capital assets				
Non-depreciable	16,126,102	56,000	16,182,102	0
Depreciable (net)	62,932,095	11,616	62,943,711	3,394
Total noncurrent assets	79,058,197	67,616	79,125,813	3,394
Total assets	92,662,014	35,709	92,697,723	415,579
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	1,150,422	0	1,150,422	0
Pension experience differences	0	0	0	34,611
Pension contributions subsequent to measurement date	0	0	0	83,068
Total deferred outflows of resources	1,150,422	0	1,150,422	117,679
LIABILITIES				
Current liabilities				
Payables				
Accounts	315,305	1,706	317,011	0
Intergovernmental	717,039	0	717,039	12,258
Interest	466,447	0	466,447	0
Accrued salaries and payroll liabilities	452,996	5,659	458,655	0
Compensated absences	196,887	4,902	201,789	0
Due to others	190,188	0	190,188	0
Capital leases payable	169,999	0	169,999	0
Bonds payable	1,770,000	0	1,770,000	0
Post-closure care costs	50,056	0	50,056	0
Total current liabilities	4,328,917	12,267	4,341,184	12,258
Noncurrent liabilities				
Compensated absences	0	0	0	37,077
Net pension liability	0	0	0	618,064
Capital leases payable	119,446	0	119,446	0
Bonds payable	47,382,867	0	47,382,867	0
Post-closure care costs	334,666	0	334,666	0
Total noncurrent liabilities	47,836,979	0	47,836,979	655,141
Total liabilities	52,165,896	12,267	52,178,163	667,399

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

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
DEFERRED INFLOWS OF RESOURCES				
Pension investment return differences	$ 0	$ 0	$ 0	$ 150,851
NET POSITION				
Net investment in capital assets	29,610,648	67,616	29,678,264	3,394
Restricted for:				
Judicial	279,105	0	279,105	0
Public safety	99,844	0	99,844	0
Public works	478	0	478	0
Capital outlay	442,093	0	442,093	0
Debt service	4,481,878	0	4,481,878	0
Unrestricted	6,732,494	(44,174)	6,688,320	(288,386)
Total net position	$ 41,646,540	$ 23,442	$ 41,669,982	$ (284,992)

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

GILMER COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the year ended December 31, 2015

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 3,187,101	$ 493,625	$ 0	$ 0	$ (2,693,476)
Judicial	2,196,139	629,769	74,320	0	(1,492,050)
Public Safety	9,805,732	1,543,189	29,231	0	(8,233,312)
Public Works	2,990,350	468,891	171,678	705,244	(1,644,537)
Health and Welfare	370,182	0	86,474	0	(283,708)
Culture and Recreation	1,269,191	126,271	7,495	0	(1,135,425)
Housing and Development	582,541	140,137	0	0	(442,404)
Interest on long-term debt	1,941,689	0	0	0	(1,941,689)
Total governmental activities	22,342,925	3,401,882	369,198	705,244	(17,866,601)
Business-type activities					
White Path Golf Course	396,113	401,302	0	0	5,189
Total primary government	22,739,038	3,803,184	369,198	705,244	(17,861,412)
Component Units					
Industrial Development Authority of Gilmer County	0	0	0	0	0
Gilmer County Health Department Health and Welfare	786,506	444,904	244,059	0	(97,543)
Total component units	786,506	444,904	244,059	0	(97,543)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (17,866,601)	$ 5,189	$ (17,861,412)	$ (97,543)
General revenues				
Taxes				
Property	10,353,672	0	10,353,672	0
Sales	6,697,223	0	6,697,223	0
Insurance premium	1,375,325	0	1,375,325	0
Intangible	159,459	0	159,459	0
Real estate transfer	65,435	0	65,435	0
Hotel/Motel	489,359	0	489,359	0
Other	71,045	0	71,045	0
Interest and investment earnings	4,276	121	4,397	0
Payments from Gilmer County	0	0	0	147,092
Other	251,188	0	251,188	48,619
Transfers	(46,186)	46,186	0	0
Total general revenues and transfers	19,420,796	46,307	19,467,103	195,711
Change in net position	1,554,195	51,496	1,605,691	98,168
Net position - beginning, restated	40,730,032	(28,054)	40,701,978	291,768
Prior period adjustments	(637,687)	0	(637,687)	(674,928)
Net position - beginning, restated	40,092,345	(28,054)	40,064,291	(383,160)
Net position - ending	$ 41,646,540	$ 23,442	$ 41,669,982	$ (284,992)

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

GILMER COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	General	Debt Service SPLOST	SPLOST 2003
ASSETS			
Cash and cash equivalents	$ 4,834,586	$ 4,041,477	$ 686
Receivables (net)			
Accounts	308,669	0	0
Intergovernmental	47,243	0	0
Taxes	1,170,756	439,314	0
Prepaids	219,298	0	0
Inventories	6,687	0	0
Due from other funds	217,419	48,409	0
Restricted Assets			
Cash and cash equivalents	320,378	106,383	0
Total assets	$ 7,125,036	$ 4,635,583	$ 686
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 303,709	$ 0	$ 0
Intergovernmental	691,437	25,602	0
Accrued salaries and payroll liabilities	433,701	0	0
Due to other funds	315,194	50,000	0
Due to others	190,188	0	0
Total liabilities	1,934,229	75,602	0
Deferred inflows of resources			
Unavailable revenue-property taxes	551,592	78,103	0
Fund balances			
Nonspendable:			
Prepaids	219,298	0	0
Inventories	6,687	0	0
Restricted for:			
Judicial	279,105	0	0
Public safety	40,795	0	0
Public works	478	0	0
Capital outlay	0	0	686
Debt service	0	4,481,878	0
Unassigned	4,092,852	0	0
Total fund balances	4,639,215	4,481,878	686
Total liabilities, deferred inflows of resources, and fund balances	$ 7,125,036	$ 4,635,583	$ 686

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

Capital Projects	Nonmajor Governmental Funds	Totals
$ 0	$ 222,650	$ 9,099,399
0	48,416	357,085
0	0	47,243
0	47,600	1,657,670
1,646,931	0	1,866,229
0	0	6,687
261,906	1,822	529,556
141	0	426,902
$ 1,908,978	$ 320,488	$ 13,990,771

$ 0	$ 11,596	$ 315,305
0	0	717,039
0	19,295	452,996
0	51,188	416,382
0	0	190,188
0	82,079	2,091,910
0	0	629,695
1,646,931	0	1,866,229
0	0	6,687
0	0	279,105
0	59,049	99,844
0	0	478
262,047	179,360	442,093
0	0	4,481,878
0	0	4,092,852
1,908,978	238,409	11,269,166
$ 1,908,978	$ 320,488	$ 13,990,771

GILMER COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
December 31, 2015

Total fund balance - total governmental funds		$ 11,269,166
Amounts reported for governmental activities in the statement of net position are different because:		
Some assets are not financial resources and therefore are not reported in the funds. These are:		
Capital assets, net of accumulated depreciation	$ 79,058,197	
Prepaid bond insurance costs net of amortization	29,428	79,087,625
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds. These are:		
Property taxes		629,695
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are:		
Bonds payable	(49,140,000)	
Deferred charges on bond refunding	1,150,422	
Accrued interest	(466,447)	
Compensated absences	(196,887)	
Capital leases payable	(289,445)	
Landfill closure/postclosure costs	(384,722)	(49,327,079)
Other liabilities used in the governmental activities that are not current financial sacrifices and therefore are not reported in the funds		
Unamortized bond premiums		(12,867)
Net position of governmental activities		$ 41,646,540

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

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GILMER COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended December 31, 2015

	General	Debt Service SPLOST	SPLOST 2003
REVENUES			
Taxes	$ 13,773,390	$ 5,010,216	$ 0
Licenses and permits	217,307	0	0
Fines, fees and forfeitures	629,669	0	0
Charges for services	1,950,393	132,868	0
Intergovernmental	952,232	0	0
Interest	2,943	2,362	0
Other	140,767	0	0
Total revenues	17,666,701	5,145,446	0
EXPENDITURES			
Current			
General Government	2,687,012	0	0
Judicial	2,187,487	0	0
Public Safety	8,662,440	0	0
Public Works	2,374,076	0	0
Health and Welfare	346,597	0	0
Culture and Recreation	786,261	0	0
Housing and Development	386,643	0	0
Capital outlay	0	0	0
Intergovernmental	0	292,765	0
Debt service	204,886	3,895,432	357,106
Total expenditures	17,635,402	4,188,197	357,106
Excess (deficiency) of revenues over (under) expenditures	31,299	957,249	(357,106)
Other financing sources (uses)			
Transfers in	466,295	0	355,200
Transfers out	(588,554)	(356,040)	0
Proceeds from capital leases	193,201	0	0
Payment to refunded bond escrow agent	0	(22,399,417)	0
Proceeds of refunding bonds	0	22,900,000	0
Sale of capital assets	28,286	0	0
Total other financing sources (uses)	99,228	144,543	355,200
Net change in fund balance	130,527	1,101,792	(1,906)
Fund balances, January 1, original	5,181,699	3,344,762	2,592
Prior period adjustment	(673,011)	35,324	0
Fund balances, January 1, restated	4,508,688	3,380,086	2,592
Fund balances, December 31	$ 4,639,215	$ 4,481,878	$ 686

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

Capital Projects	Nonmajor Governmental Funds	Totals
$ 0	$ 489,358	$ 19,272,964
0	0	217,307
0	0	629,669
0	456,277	2,539,538
0	217,353	1,169,585
1,025	308	6,638
0	0	140,767
1,025	1,163,296	23,976,468
0	0	2,687,012
0	0	2,187,487
0	727,916	9,390,356
0	67,485	2,441,561
0	0	346,597
0	441,577	1,227,838
0	308,717	695,360
374,787	0	374,787
0	0	292,765
0	0	4,457,424
374,787	1,545,695	24,101,187
(373,762)	(382,399)	(124,719)
0	588,554	1,410,049
0	(455,641)	(1,400,235)
0	0	193,201
0	0	(22,399,417)
0	0	22,900,000
0	0	28,286
0	132,913	731,884
(373,762)	(249,486)	607,165
2,282,740	487,895	11,299,688
0	0	(637,687)
2,282,740	487,895	10,662,001
$ 1,908,978	$ 238,409	$ 11,269,166

GILMER COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the year ended December 31, 2015

Net change in fund balances - total governmental funds		$ 607,165
Amounts reported for governmental activities in the statement of activities are different because:		
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.		
Capital outlays	$ 1,615,928	
Depreciation	(2,481,212)	(865,284)
Distribution of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. These include business-type activities.		(56,000)
The proceeds of debt issuance, net of premiums, discounts and issuance costs provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.		
Proceeds from bonds	(22,900,000)	
Bond principal payments	22,230,000	
Net change in deferred bond refunding	1,598,937	
Proceeds from capital leases	(193,201)	
Capital lease payments	180,747	
Amortization of bond premiums	918	
Net change in bond premiums	832,223	
Amortization of prepaid bond insurance	(2,103)	
Net change in prepaid bond insurance	(55,578)	
Net change in interest payable	180,019	
Landfill closure/postclosure retirement	50,056	1,922,018
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include:		
Unavailable deferred revenue		(61,446)
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. This includes the net change in compensated absences.		7,742
Change in net position of governmental activities		$ 1,554,195

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

GILMER COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2015

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 13,073,000	$ 13,110,128	$ 13,773,390	$ 663,262
Licenses and permits	170,000	170,000	217,307	47,307
Fines, fees and forfeitures	695,000	695,000	629,669	(65,331)
Charges for services	1,816,000	1,816,000	1,950,393	134,393
Intergovernmental	926,000	963,092	952,232	(10,860)
Interest	2,500	2,500	2,943	443
Contributions	0	13,369	0	(13,369)
Other	38,800	147,107	140,767	(6,340)
Total revenues	16,721,300	16,917,196	17,666,701	749,505
EXPENDITURES				
Current				
General Government				
Board of Commissioners	522,700	614,773	615,302	(529)
County Administration	55,310	55,310	55,328	(18)
Elections/Registrar	79,488	94,788	75,562	19,226
Tax Commissioner	406,249	408,269	419,936	(11,667)
Tax Assessor	625,445	748,003	774,306	(26,303)
Facility Management	646,938	707,938	729,056	(21,118)
Board of Equalization	13,812	13,812	17,522	(3,710)
Judicial				
Superior Court	363,257	363,257	369,525	(6,268)
Clerk of Superior Court	541,878	541,878	523,312	18,566
District Attorney	321,591	337,791	388,005	(50,214)
Magistrate Court	211,960	211,960	208,014	3,946
Probate Court	232,857	234,617	240,939	(6,322)
Juvenile Court	300,867	300,867	233,583	67,284
Public Defender	227,204	227,204	224,109	3,095
Public Safety				
Sheriff	2,917,058	3,036,543	3,232,751	(196,208)
Detention Center	1,875,561	1,876,586	2,124,791	(248,205)
Appalachian DTF	45,000	45,000	30,467	14,533
Fire	2,755,699	2,795,199	3,007,500	(212,301)
Coroner	48,916	48,916	49,051	(135)
Emergency Management	39,888	39,888	51,684	(11,796)
Animal Control	166,288	170,288	166,196	4,092
Public Works				
Road Department	1,890,335	1,897,871	1,516,982	380,889
Landfill	515,487	552,102	615,527	(63,425)
Maintenance Shop	163,476	167,660	170,592	(2,932)
Airport	63,000	70,417	70,975	(558)
Health and Welfare				
Health Department	162,492	162,492	153,996	8,496
Bus Transportation	108,550	108,550	149,337	(40,787)
Senior Citizens Center	750	750	261	489
DFACS	18,000	18,000	18,000	0
Community Service	46,959	46,959	22,392	24,567
Family Connection	0	0	2,611	(2,611)
Culture and Recreation				
Parks and Recreation	416,000	418,000	462,706	(44,706)
Libraries	279,032	279,032	277,598	1,434
Civic Center	28,000	28,000	45,957	(17,957)

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

GILMER COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2015

	Budget			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES (continued)				
Current				
Housing and Development				
Planning and Zoning	$ 254,203	$ 254,403	$ 302,987	$ (48,584)
County Agent	40,144	40,144	38,656	1,488
Joint Development Authority	0	45,000	45,000	0
Debt service				
General Government				
Board of Commissioners	50,000	61,200	26,728	34,472
Tax Assessor	0	26,994	26,994	0
Public Safety				
Sheriff	118,007	139,567	139,556	11
Fire	22,831	22,831	0	22,831
Public Works				
Road Department	11,607	11,607	11,608	(1)
Total expenditures	16,586,839	17,224,466	17,635,402	(410,936)
Excess (deficiency) of revenues over expenditures	134,461	(307,270)	31,299	(338,569)
Other financing sources (uses)				
Transfers in	0	465,000	466,295	1,295
Transfers (out)	0	0	(588,554)	(588,554)
Contingency	(134,461)	(350,930)	0	350,930
Proceeds from capital leases	0	193,200	193,201	1
Sale of capital assets	0	0	28,286	28,286
Total other financing sources (uses)	(134,461)	307,270	99,228	(208,042)
Net change in fund balance	0	0	130,527	130,527
Fund balances, January 1, original	0	0	5,181,699	5,181,699
Prior period adjustments	0	0	(673,011)	(673,011)
Fund balances, January 1, restated	0	0	4,508,688	4,508,688
Fund balances, December 31	$ 0	$ 0	$ 4,639,215	$ 4,639,215

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

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2015

	White Path Golf Course
ASSETS	
Current assets	
Cash and cash equivalents	$ 81,267
Due from other funds	3,057
Total current assets	84,324
Noncurrent assets	
Capital assets	
Non-depreciable	56,000
Depreciable, net	11,616
Total noncurrent assets	67,616
Total assets	151,940
LIABILITIES	
Current liabilities	
Payables (net)	
Accounts	1,706
Accrued salaries and other payroll liabilities	5,659
Compensated absences	4,902
Due to other funds	116,231
Total liabilities	128,498
NET POSITION	
Invested in capital assets	67,616
Unrestricted	(44,174)
Total net position	$ 23,442

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

GILMER COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the year ended December 31, 2015

	White Path Golf Course
OPERATING REVENUES	
Charges for sales and services	$ 401,302
Total operating revenues	401,302
OPERATING EXPENSES	
Costs of sales and services	179,498
Personal services	216,615
Total operating expenses	396,113
Operating income (loss)	5,189
Non-operating revenues (expenses)	
Interest revenue	121
Net income (loss) before capital contributions and transfers	5,310
Capital contributions	
Contributions of capital assets	56,000
Net income (loss) before transfers	61,310
Transfer out	(9,814)
Change in net position	51,496
Net position, January 1	(28,054)
Net position, December 31	$ 23,442

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

GILMER COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the year ended December 31, 2015

	White Path Golf Course
Cash flows from operating activities:	
Receipts from customers	$ 401,302
Payments to suppliers	(180,714)
Payments to employees	(216,026)
Net cash provided (used) by operating activities	4,562
Cash flows from non-capital financing activities:	
Receipts from other funds	1,944
Payments to other funds	(9,814)
Net cash provided (uses) by non-capital financing activities	(7,870)
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(11,616)
Cash flows from investing activities:	
Interest received	121
Net increase (decrease) in cash and cash equivalents	(14,803)
Cash and cash equivalents, January 1	96,070
Cash and cash equivalents, December 31	$ 81,267
Reconciliation of operating income (loss) to to net cash provided (used) by operating activities:	
Operating income (loss)	$ 5,189
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Increase (decrease) in accounts payable	(1,216)
Increase (decrease) in accrued payroll liabilities	589
Total adjustments	(627)
Net cash provided (used) by operating activities	$ 4,562

Noncash capital and related financing activities:
Contributions of capital assets from other funds total $56,000 for the year ended December 31, 2015.

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

GILMER COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2015

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 990,878
LIABILITIES	
Due to other agencies	$ 990,878

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

GILMER COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
December 31, 2015

	Industrial Development Authority of Gilmer County	Gilmer County Department of Public Health June 30, 2015	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 138	$ 363,050	$ 363,188
Accounts	0	47,420	47,420
Intergovernmental	0	886	886
Inventories	0	691	691
Total current assets	138	412,047	412,185
Noncurrent assets			
Capital assets			
Depreciable (net)	0	3,394	3,394
Total assets	138	415,441	415,579
DEFERRED OUTFLOWS OF RESOURCES			
Pension experience differences	0	34,611	34,611
Pension contributions subsequent to measurement date	0	83,068	83,068
Total deferred outflows of resources	0	117,679	117,679
LIABILITIES			
Current liabilities			
Payables			
Intergovernmental	0	12,258	12,258
Noncurrent liabilities			
Compensated absences	0	37,077	37,077
Net pension liability	0	618,064	618,064
Total noncurrent liabilities	0	655,141	655,141
Total liabilities	0	667,399	667,399
DEFERRED INFLOWS OF RESOURCES			
Pension investment return differences	0	150,851	150,851
NET POSITION			
Investment in capital assets	0	3,394	3,394
Unrestricted	138	(288,524)	(288,386)
Total net position	$ 138	$ (285,130)	$ (284,992)

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

GILMER COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the year ended December 31, 2015

	Industrial Development Authority of Gilmer County	Gilmer County Health Department June 30, 2015	Totals
Expenses			
Health and Welfare	$ 0	$ 786,506	$ 786,506
Total expenses	0	786,506	786,506
Program revenues			
Charges for services	0	444,904	444,904
Operating grants and contributions	0	244,059	244,059
Total program revenues	0	688,963	688,963
Net (expense) revenue	0	(97,543)	(97,543)
General revenues			
Payments from Gilmer County	0	147,092	147,092
Other	0	48,619	48,619
Total general revenues	0	195,711	195,711
Change in net position	0	98,168	98,168
Net position, January 1, restated	138	291,630	291,768
Prior period adjustments	0	(674,928)	(674,928)
Net position, January 1, restated	138	(383,298)	(383,160)
Net position, December 31	$ 138	$ (285,130)	$ (284,992)

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

1. Description of Government Unit

Gilmer County, Georgia (the County) is located in the foothills of the North Georgia Mountains about eighty miles northeast of Atlanta.

The County provides a full range of governmental services, including public safety, health and welfare services, recreational programs, and solid waste services.

The government is governed by an elected Chairman and two elected Commissioners.

2. Summary of Significant Accounting Policies

The financial statements of Gilmer County, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Description of Government-wide 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 nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Gilmer County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of its operational and financial relationship with the County.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, the financial statements of component units have been included either as blended or discretely presented component units.

Each discretely presented component unit is reported in a separate column in the combined financial statements. The Gilmer County Industrial Development Authority, Gilmer County Health Department, and Gilmer County Building Authority are shown as discretely presented component units. Discretely presented component units are shown in a separate column on the combined financial statements to emphasize legal separation from the County.

Change in Reporting Entity – the County no longer considers the Ellijay-Gilmer County Water and Sewerage Authority to be part of the County's reporting entity, as reported in previous years.

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

Industrial Development Authority of Gilmer County – The Industrial Development Authority of Gilmer County (Development Authority) is a legally separate entity. The Industrial Development Authority consists of a seven member board, all of which are appointed by the County. The purpose of the Development Authority is to encourage economic development in Gilmer County. The Development Authority's year end is December 31. Separate financial statements are not issued.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Gilmer County Health Department – The Gilmer County Health Department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The County provides monthly supplements and pays a portion of operating costs directly. During the Health Department's fiscal year ending June 30, 2015, the Health Department received $147,092 from the County Board of Commissioners to subsidize annual operations. The Health Department's fiscal year end is June 30. A copy of the Gilmer County Health Department's financial statements can be obtained from 100 W. Walnut Avenue, Suite 92, Dalton, Georgia 30720.

Gilmer County Building Authority – The Gilmer County Building Authority (Building Authority) is a legally separate entity. The Building Authority consists of a three member board, all of which are appointed by the County. The purpose of the Building Authority is authorized to acquire, construct, equip, maintain, and operate certain projects, including buildings and facilities for use by Gilmer County for its governmental, proprietary, and administrative functions; and for other purposes. The Building Authority's year end is December 31. This entity was inactive during 2015.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. 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.

As discussed earlier, the government has three discretely presented component units. While they are not considered to be major component units, they are nevertheless aggregated and shown in a separate column in the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation - Fund Financial Statements, continued

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements, with composite columns for non-major funds.

The County reports the following major governmental funds:

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

SPLOST 2003 – This fund accounts for financial resources to be used for the acquisition of capital assets financed by the passage of the special purpose local option sales tax.

Debt Service SPLOST Fund – This fund accounts for the special purpose sales tax revenues which are collected for the purpose of payment of debt service and allocations to cities for capital projects. This fund was previously named Debt Service SPLOST 2009 and the County changed the name in 2015.

Capital Projects Fund – accounts for financial resources to be used for the acquisition or construction of major capital facilities.

The County reports the following major proprietary fund:

Golf Course Fund – This fund accounts for the operations of the County owned golf facility.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Governmental Fund Types

Additionally, the County reports the following fund types:

Special Revenue Funds – accounts for the proceeds of specific revenue sources that are legally or donor restricted to be expended for specified purposes.

Capital Projects Funds – This fund type is used to account for financial resources to be used for the acquisition or construction of capital assets.

Fiduciary Fund Types

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the County or for others.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

Property taxes, sales taxes, franchise taxes, licenses, and interest 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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. Operating expenses for enterprise funds and internal services funds include the cost of sales 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.

2. Summary of Significant Accounting Policies (continued)

G. Budgetary Information, continued

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

In the spring (May to June or earlier) of each year, all agencies of the government submit requests for appropriation to the Accounting and Budget Manager so that a budget may be prepared. The budget is prepared by fund, function and department, and line item and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Before December 1, the proposed budget is presented to the County's Board of Commissioners for review and adoption. The County's Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations.

The Finance Officer may amend the line item budget within a department's appropriation as long as the total appropriation for that department is not changed. However, expenditures may not legally exceed budgeted appropriations at the department level without a resolution of the Board of Commissioners. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level.

The Board of Commissioners did not adopt a fiscal year 2015 budget for the Multiple Grant Special Revenue Funds.

During the year, the Board of Commissioners authorized amendments to include appropriations and revenues that were not originally budgeted and to reclassify certain expenditures.

H. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

2. Summary of Significant Accounting Policies (continued)

I. Intergovernmental Receivables

Receivables from state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

J. Inventories

Inventories are valued at cost on the first-in, first-out method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as prepaid items. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the fiscal year ended December 31, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are among the largest asset classes of the County. Neither their historical costs nor related depreciation has historically been reported in the financial statements

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated.

2. Summary of Significant Accounting Policies (continued)

L. Capital Assets, continued

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshhold
Land	N/A	$ 5,000
Intangibles	N/A	5,000
Buildings	50	5,000
Land improvements	6 - 50	5,000
Infrastructure	30	5,000
Machinery and equipment	3 - 20	5,000
Vehicles	2 - 15	5,000

The costs of normal maintenance and repairs that do not add value or materiality extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

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 that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

2. Summary of Significant Accounting Policies (continued)

N. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted- net position is applied.

O. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

P. Restricted Assets and Restricted Net Position

Restricted assets of the Enterprise Funds represent certain resources set aside for the repayment of revenue bonds because they are maintained in a separate bank account and their use is limited by applicable bond covenants.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of reserve.

2. Summary of Significant Accounting Policies (continued)

Q. Fund Balances – Governmental Funds

Gilmer County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2012. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at December 31, 2015 by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Commissioners, the County's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number.

Assigned - consists of amounts that are intended to be used by the County for a specific purpose, but do not meet the definition of restricted or committed fund balance. Intent can only be expressed by the Board of Commissioners or their designee. Assigned Fund Balance differs from Committed Fund Balance in that assignments do not require a resolution. An assignment of fund balance requires the majority vote of the Board; however, the Board has authorized the County Manager or the Finance Officer to automatically assign fund balance in the following situations.

a. If upon passage of a budget resolution, any fund balance used to balance a future budget, the amount used will be automatically recorded as Assigned Fund Balance.
b. If any unspent funds for an ongoing capital project or donations for a specific purpose remain at fiscal year-end, these funds will be automatically recorded as Assigned Fund Balance until the project is complete or the donation has been spent for its intended purpose.

2. Summary of Significant Accounting Policies (continued)

Q. Fund Balances – Governmental Funds

c. Equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance.

For the purposes of fund balance classification, the County considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

R. Compensation for Future Absences

It is the County's policy to permit employees to accumulate up to 120 hours of earned but unused vacation benefits. The County pays unused vacation benefits to employees who leave employment in good standing and provide proper notice upon resignation. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide financial statements. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources. The County does not pay unused sick pay benefits to employees.

2. Summary of Significant Accounting Policies (continued)

S. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements of the governmental fund types, bond premiums and discounts are recognized during the current period. The face amount of debt issued is reported as another financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

T. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

U. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned. The County has no formal policy, but follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. Gilmer County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of any corporation of the United States government, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issurer.

Foreign currency risk

The County has no investments denominated in a foreign currency.

4. Accounts Receivable

Net accounts receivable at December 31, 2015 consist of the following:

Primary Government:		
Major Funds		
General Fund	$ 1,925,488	
Less: Allowance for Uncollectibles	(1,616,819)	$ 308,669
Nonmajor Funds		
Emergency 911 Telephone Services Special Revenue Fund		48,416
Total primary government		$ 357,085
Component Units		
Gilmer County Department of Public Health		$ 47,420

5. Intergovernmental Receivables

Intergovernmental receivables are considered fully collectible and are stated at gross amounts receivable.

Intergovernmental receivables at December 31, 2015 consist of the following:

Primary Government:	
Major Funds	
General Fund	
Fannin County	$ 2,482
Pickens County	2,482
Georgia Department of Transportation	40,755
City of East Elijay	1,033
City of Elijay	491
Total primary government	$ 47,243
Component Units	
Gilmer County Department of Public Health	
Cherokee County Department of Public Health	$ 886

6. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for digest year 2015, based upon the assessments as of January 1, 2015, were levied on August 28, 2015, billed on September 3, 2015, and due on November 20, 2015. Tax liens may be issued 90 days after the due date.

7. Interfund Receivables and Payables

A summary of interfund receivables and payables as of December 31, 2015 is as follows:

	Due from:				
	Major Funds			Nonmajor Funds	
	General	Debt Service SPLOST	White Path Golf Course	Governmental	Total
Due to:					
Major Funds					
General	$ 0	$ 50,000	$ 116,231	$ 51,188	$ 217,419
Capital Projects	261,906	0	0	0	261,906
Debt Service SPLOST	48,409				48,409
White Path Golf Course	3,057	0	0	0	3,057
Nonmajor Funds					
Governmental	1,822	0	0	0	1,822
Total	$ 315,194	$ 50,000	$ 116,231	$ 51,188	$ 532,613

The balances reported as Due to/Due from represent loans between the borrower funds and the General Fund. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

Amounts due to the General Fund are primarily for reimbursements for operating purposes.

The amount due from the General Fund to the Debt Service SPLOST Fund is due to collection of property taxes not yet paid over from the General Fund.

8. Interfund Transfers

A summary of interfund transfers as of December 31, 2015 is as follows:

	Transfers out:				
	Major Funds			Nonmajor Funds	
	General	Debt Service SPLOST	White Path Golf Course	Governmental	Total
Transfers in:					
Major Funds					
General	$ 0	$ 840	$ 9,814	$ 455,641	$ 466,295
SPLOST 2003	0	355,200	0	0	355,200
Nonmajor Funds					
Governmental	588,554	0	0	0	588,554
	588,554	356,040	9,814	455,641	1,410,049
Transfer of capital assets					
White Path Golf Course	56,000	0	0	0	56,000
Total	$ 644,554	$ 356,040	$ 9,814	$ 455,641	$ 1,466,049

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements.

The transfer from the Debt Service SPLOST Fund to the General Fund was a transfer of rental receipts recorded and then transferred to reimburse General Fund expenditures.

9. Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2015 was as follows:

	Balance 12/31/2014	Increases	Decreases	Balance 12/31/2015
Governmental activities				
Nondepreciable assets				
Land	$ 13,805,118	$ 0	$ (56,000)	$ 13,749,118
Construction in progress	1,614,156	798,145	(35,317)	2,376,984
Total non-depreciable assets	15,419,274	798,145	(91,317)	16,126,102
Depreciable assets				
Buildings	50,309,146	145,857	0	50,455,003
Land improvements	2,835,730	11,437	(21,826)	2,825,341
Machinery, equipment, and vehicles	17,774,388	660,489	0	18,434,877
Infrastructure	25,926,698	35,317	0	25,962,015
Total depreciable assets	96,845,962	853,100	(21,826)	97,677,236
Less accumulated depreciation				
Buildings and improvements	(10,358,879)	(1,153,930)	0	(11,512,809)
Land improvements	(1,073,166)	(71,858)	21,826	(1,123,198)
Machinery, equipment, and vehicles	(15,500,694)	(583,393)	0	(16,084,087)
Infrastructure	(5,353,016)	(672,031)	0	(6,025,047)
Total accumulated depreciation	(32,285,755)	(2,481,212)	21,826	(34,745,141)
Total depreciable assets, net	64,560,207	(1,628,112)	0	62,932,095
Governmental activities capital assets, net	$ 79,979,481	$ (829,967)	$ (91,317)	$ 79,058,197
Business-type activities				
Nondepreciable assets				
Land	$ 0	$ 56,000	$ 0	$ 56,000
Total non-depreciable assets	0	56,000	0	56,000
Depreciable assets				
Land improvements	0	21,826	0	21,826
Machinery, equipment, and vehicles	0	11,616	0	11,616
Total depreciable assets	0	33,442	0	33,442
Less accumulated depreciation				
Land improvements	0	(21,826)	0	(21,826)
Total accumulated depreciation	0	(21,826)	0	(21,826)
Total depreciable assets, net	0	11,616	0	11,616
Business-type activities capital assets, net	$ 0	$ 67,616	$ 0	$ 67,616

9. Capital Assets (continued)

Activity for the discretely presented component units for the year ended June 30, 2015 are as follows:

	Balance 6/30/2014	Increases	Decreases	Balance 6/30/2015
Gilmer County Department of Public Health				
Depreciable assets				
Vehicles	$ 17,518	$ 0	$ 0	$ 17,518
Computer Equipment	7,188	0	0	7,188
Total Depreciable Assets	24,706	0	0	24,706
Less accumulated depreciation				
Vehicles	(17,518)	0	0	(17,518)
Computer Equipment	(1,398)	(2,396)	0	(3,794)
Total accumulated depreciation	(18,916)	(2,396)	0	(21,312)
Total Health Department depreciable assets, net	$ 5,790	$ (2,396)	$ 0	$ 3,394

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 631,767
Judicial	3,246
Public Safety	736,644
Public Works	789,009
Health and Welfare	23,732
Culture and Recreation	171,143
Housing and Development	125,671
Total depreciation expense for governmental activities	$ 2,481,212
Discretely presented component units	
Gilmer County Department of Public Health	$ 2,396

	Business-type Activities
Current year depreciation expense	$ 0
Prior accumulated depreciation on assets transferred between governmental and business-type activities	21,826
Additions to accumulated depreciation	$ 21,826

10. Short-Term Debt

The County paid off a tax anticipation note for operating purposes of $1,450,000 at a financial institution. The note carried an interest rate of 2.90% and matured on December 31, 2015. As of December 31, 2015, the principal was paid in full.

The short-term borrowings interest incurred and expensed for the period ended December 31, 2015 was $11,895.

Short-term debt activity for the year ended December 31, 2015, is as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Tax anticipation note	$ 0	$ 1,450,000	$ (1,450,000)	$ 0

11. Capital and Operating Lease Agreements

The County has entered into agreements for the lease of certain facilities and equipment. The terms of the agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balances of these leases at December 31, 2015 total $289,445 for governmental activities. The machinery and equipment has a 10-year useful life and the vehicles have a 5-year useful life. This year $117,775 was included in depreciation expense. Total assets leased under capital leases are $839,155 for governmental activities, consisting of:

	Cost	Accumulated Depreciation
Machinery and equipment	$ 93,743	$ 89,055
Vehicles	745,412	495,134
Total assets under capital leases	$ 839,155	$ 584,189

11. Capital and Operating Lease Agreements (continued)

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 2015:

Year Ending December 31,	Governmental activities
2016	$ 177,742
2017	122,513
Total minimum lease payments	300,255
Less amounts representing interest	(10,810)
Present value of minimum lease payments	$ 289,445

The County's lease agreements, other than such agreements described above, are relatively minor commitments and are in compliance with state law.

12. Long-Term Debt

Governmental Activities

Bonds Payable

General Obligation Sales Tax Bonds, Series 2007 - In 2007, the County issued general obligation bonds in the amount of $30,000,000. The bonds are issued as term bonds with interest rates from 4% to 5% maturing April 1, 2032. The purpose of the bonds is to finance the costs of acquiring, constructing, remodeling, and equipping of various capital improvement projects. The bonds are secured by a 1% local option sales tax approved by the voters on November 6, 2007 and then from the levy of an ad valorem tax. As of December 31, 2015, the bonds had an outstanding balance of $3,990,000.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds Payable, continued

Building Authority Revenue Bonds, Series 2008 A & B - In 2008, the County issued refunding revenue bonds in the amount of $7,500,000. The bonds are issued as term bonds with interest rates from 3.75% to 4% maturing April 1, 2029. The purpose of the bonds is to finance the costs of Phase II of the new Courthouse and adjacent parking areas. The bonds are secured by sales tax proceeds and then from the levy of property tax. As of December 31, 2015, the bonds had an outstanding balance of $5,880,000.

Building Authority Refunding Revenue Bonds, Series 2014 - In 2014, the County issued refunding revenue bonds in the amount of $16,565,000. The bonds are issued as term bonds with interest rates from 3.09% maturing April 1, 2030. The purpose of the bonds was to refund the Building Authority Revenue Bonds, Series 2005. The bonds are secured by sales tax proceeds and then from the levy of property tax. As of December 31, 2015, the bonds had an outstanding balance of $16,370,000.

General Obligation Sales Tax Bonds, Series 2015 - On June 12, 2015, the County issued $22,900,000 in General Obligation Refunding Bonds, Series 2015, with interest rates of 2.37%. The Series 2015 bonds were issued to advance refund $24,770,000 of outstanding Series 2007 Bonds with an average interest rate of 4.65%. Net proceeds of $22,399,417 ($22,900,000 less $500,583 in underwriting fees and other costs of issuance) were applied to the $22,399,417 deposited into an irrevocable trust with an escrow agent. Principal and interest payments will be made based on the Series 2007 pay down schedule and the Series 2007 bonds will be called for redemption at 100% of the outstanding principal plus interest accrued to the redemption date. As of December 31, 2015, the bonds had an outstanding balance of $22,900,000.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds Payable, continued

The annual requirements to amortize bonds payable as of December 31, 2015, are as follows:

Year Ending December 31,	Principal	Interest	Total
2016	$ 1,770,000	$ 1,290,804	$ 3,060,804
2017	2,215,000	1,230,826	3,445,826
2018	2,685,000	1,159,672	3,844,672
2019	2,770,000	1,081,502	3,851,502
2020	2,830,000	1,001,557	3,831,557
2021 - 2025	15,445,000	3,721,851	19,166,851
2026 - 2030	17,435,000	1,292,806	18,727,806
2031 - 2032	3,990,000	201,750	4,191,750
Totals	$ 49,140,000	$ 10,980,768	$ 60,120,768

Changes in Long - Term Debt

The following is a summary of changes in long-term debt of the County for the fiscal year ending December 31, 2015.

	Balance 12/31/2014	Additions	Deductions	Balance 12/31/2015	Due Within One Year
Governmental activities					
Bonds payable	$ 48,470,000	$ 22,900,000	$ 22,230,000	$ 49,140,000	$ 1,770,000
Unamortized bond premium	846,008	0	833,141	12,867	0
Capital leases	276,991	193,201	180,747	289,445	169,999
Landfill post-closure care costs	434,778	0	50,056	384,722	50,056
Compensated absences	204,629	196,887	204,629	196,887	196,887
Total governmental activities	$ 50,232,406	$ 23,290,088	$ 23,498,573	$ 50,023,921	$ 2,186,942

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. In prior years, long-term liabilities, such as compensated absences of the governmental activities were liquidated in the General Fund. The landfill post-closure care costs are paid for by the General Fund. The total interest incurred and charged to expense for the year ended December 31, 2015 was $1,941,689 for the governmental activities.

12. Long-Term Debt (continued)

Changes in Long - Term Debt, continued

Long-term liability activity for the Gilmer County Department of Public Health Component Unit for the year ended June 30, 2015, was as follows:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015	Due Within One Year
Health Department					
Compensated absences	$ 37,011	$ 26,042	$ (25,976)	$ 37,077	$ 0

13. Bond Refunding

On June 12, 2015, the County issued $22,900,000 in General Obligation Refunding Bonds, Series 2015, with interest rates of 2.37%. The Series 2015 bonds were issued to advance refund $24,770,000 of outstanding Series 2007 Bonds with an average interest rate of 4.65%. Net proceeds of $22,399,417 ($22,900,000 less $500,583 in underwriting fees and other costs of issuance) were applied to the $22,399,417 deposited into an irrevocable trust with an escrow agent. Principal and interest payments will be made based on the Series 2007 pay down schedule and the Series 2007 bonds will be called for redemption at 100% of the outstanding principal plus interest accrued to the redemption date. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $942,772. This difference, reported in the financial statements as a Deferred Outflows of Resources, net of current year amortization expense of $31,426, is being charged to operations through the year 2030 using the effective interest method. The County completed the current refunding to reduce its total debt service payments over the next 15 years by $1,393,495 and to obtain an economic gain (the difference between the present value of the old debt and new debt service payments) of $1,369,277.

14. Landfill Closure and Post-Closure Care Costs

State and Federal laws and regulations require the County to place a final cover on a landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports an estimated portion of these closure and post closure care costs as a current operating expenditure in each period based on landfill capacity used as of each balance sheet date. The estimated costs are subject to adjustment due to changes in inflation or deflation, technology, or applicable laws or regulations. The current amount of post closure care costs remaining as of December 31, 2015 is $384,722, which is recognized in the government-wide financial statements. The landfill was officially closed April 8, 1994.

15. Restricted, Committed, and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds for the fiscal year ended December 31, 2015:

	General	Debt Service SPLOST	SPLOST 2003	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:						
Judicial						
Drug Treatment	$ 12,711	$ 0	$ 0	$ 0	$ 0	$ 12,711
Crime victims assistance	1,637	0	0	0	0	1,637
Juvenile court	97,299	0	0	0	0	97,299
Clerk of court equipment	167,458	0	0	0	0	167,458
Public Safety						
E911 facilities and equipment	0	0	0	0	59,049	59,049
Detention center	38,679	0	0	0	0	38,679
Fire department	2,116	0	0	0	0	2,116
Public Works						
Road department	478	0	0	0	0	478
Capital projects	0	0	686	262,047	179,360	442,093
Debt Service	0	4,481,878	0	0	0	4,481,878
	$ 320,378	$ 4,481,878	$ 686	$ 262,047	$ 238,409	$ 5,303,398

16. Changes in Beginning Balances

General Fund

A prior period adjustment has been made to record an accounts payable for an amount that was not accrued at 12/31/2014. This adjustment decreased beginning fund balance by $19,222.

Prior period adjustments have been made to record an intergovernmental payable and to adjust due to Debt Service SPLOST Fund for incorrect allocation of Title Ad Valorem Tax in prior years. This adjustment decreased beginning fund balance by $653,789.

Debt Service SPLOST Fund

A prior period adjustment has been made to adjust due from General Fund for incorrect allocation of Title Ad Valorem Tax in prior years. This adjustment increased beginning fund balance by $35,324.

The net effect of these adjustments was to decrease beginning fund balance on the Statement of Revenues, Expenditures, and Changes in Fund Balances for governmental funds and Net position in the Governmental Activities by $637,687.

Component Units

A prior period adjustment has been made, since the County no longer considers the Ellijay-Gilmer County Water and Sewerage Authority part of the County's reporting entity. This adjustment decreased beginning net position in the Component Units by $35,856,804.

A prior period adjustment has been made to record a net pension liability and related deferred outflows/inflows of resources at June 30, 2015 in the Gilmer County Health Department. This adjustment was required with the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This adjustment decreased beginning net position in the Component Units by $674,928.

17. Retirement Plans

Defined Contribution Pension Plan

Plan Description: Gilmer County sponsors two Section 457 deferred compensation plans and a 401(k) plan. These plans are named collectively as the Gilmer County Board of Commissioners Retirement Plan (the Plan) and are defined contribution pension plans. The plans are administered by the Hartford Life Insurance Company and AIG-Valic. Changes to plan benefits or contribution levels may be requested by the County but must be approved by the respective administrator. The plans cover all employees upon date of hire. Employees may defer up to the Section 502(g) limit and are 100% vested in such deferral amounts. During the year ended December 31, 2015, the County contributed $25,553 and plan member voluntary contributions were $114,351.

Defined Benefit Pension Plan

Other Plans. In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports.

18. Hotel/Motel Lodging Tax

The County levies a 5% lodging tax. A summary of the transactions for the fiscal year ending December 31, 2015 follows:

Lodging Tax Receipts	$ 489,358	
Disbursements for trade and tourism	$ 308,717	63% of tax receipts

19. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northwest Georgia area, is a member of the Northwest Georgia Regional Commission (NWGRC) and is required to pay annual dues thereto. During the year ended December 31, 2015, the County paid $26,394 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the NWGRC financial statements can be obtained from NWGRC, 1 Jackson Hill Drive, Rome, Georgia 30162.

Gilmer County also entered into an agreement creating a multijurisdictional drug task force known as the Zell Miller Mountain Parkway Drug Task Force (ZMPDTF). This task force was established to cover the counties of Fannin, Gilmer, and Pickens. The Board of Directors include the District Attorney, the Sheriff of the three counties and a Georgia State Trooper. During the year ended December 31, 2015, the County paid $30,467 to the ZMPDTF. A copy of the ZMPDTF financial statements can be obtained from the Pickens County Sheriff's Office, 2985 Camp Road, Jasper, Georgia 30143.

Gilmer County also entered into an agreement creating the Joint Development Authority of Gilmer County and the Cities of Ellijay and East Ellijay. This Authority was established to promote development within Gilmer County and the cities of Ellijay and East Ellijay. The Board of Directors are appointed equally by the County and Cities. During the year ended December 31, 2015, the County paid $45,000 to the Authority. A copy of the Authority's financial statements can be obtained from the Authority's Office, 696 First Ave., East Ellijay, Georgia 30540.

20. Risk Management

The County is exposed to various risks in terms of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has not decreased any of its insurance coverage from the prior year, and there have been no claims in excess of insurance coverage over the past three years.

20. Risk Management (continued)

Other

The County joined the Georgia Interlock Risk Management Agency (GIRMA). The County management, based on anticipated needs, selects insurance coverage and deductible options for property, casualty and crime under the policy. The County is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, as well as following loss reductions and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the County in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims in "IBNR" is established by an actuary. The County has not completed a record of the claims paid up to the applicable deductible for the prior year or the current fiscal year. The County is unaware of any claims that the County is liable (up to the applicable deductible) which were outstanding and unpaid at December 31, 2015. No provisions have been made in the financial statements for the twelve months ended December 31, 2015 or any estimate of potential unpaid claims.

The County participates in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund (GSIWCF), a self-insured pool cooperative arrangement among its members to finance workers' compensation coverage. The fund is owned by its members and is managed by a seven member Board of Trustees made up of representatives from participating counties. Losses are paid by the fund.

Excess losses, if any, are covered by reinsurance and would be paid by the reinsurer. The members of the Fund are assessable if the losses that the Fund must pay exceed the assets of the pool. At December 31, 2015, there was no need for such an assessment. Therefore, no liability for this has been included in these financial statements.

20. Risk Management (continued)

Other, continued

As part of these risk pools (GIRMA & GSIWCF), the County is obligated to pay all contributions and assessments to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents that could require the funds to pay any type of loss. The County is also to allow all pools' agents and attorneys to represent the County in investigations, settlement discussions, and all levels of litigation arising out of any claim made against the County.

Workers' Compensation

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all costs assessed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded the coverage.

21. Material Noncompliance

Excess of Expenditures over Appropriations in Individual Governmental Funds for which Budgets are Adopted

During the fiscal year, the County incurred material expenditures in the General Fund which were in excess of the amounts appropriated:

Department	Budget	Actual	Variance
Tax Assessor	$ 748,003	$ 774,306	$ (26,303)
Board of Equalization	13,812	17,522	(3,710)
District Attorney	337,791	388,005	(50,214)
Sheriff	3,036,543	3,232,751	(196,208)
Detention Center	1,876,586	2,124,791	(248,205)
Fire	2,795,199	3,007,500	(212,301)
Emergency Management	39,888	51,684	(11,796)
Landfill	552,102	615,527	(63,425)
Bus Transportation	108,550	149,337	(40,787)
Family Connection	0	2,611	(2,611)
Parks and Recreation	418,000	462,706	(44,706)
Civic Center	28,000	45,957	(17,957)
Planning and Zoning	254,403	302,987	(48,584)

Also during the year, the Hotel/Motel Tax Special Revenue Fund had appropriations of $210,000 and expenditures of $308,717. The County did not adopt an annual budget for the Multiple Grant Special Revenue Fund.

Gilmer County Management concurs with this finding. The County Finance Officer continuously reviews the comparative financial statements to budget and recommends any necessary budget revisions to the Board of Commissioners. This action was taken immediately upon receipt of the comment from our auditors.

22. Commitments and Contingencies

Contingencies

The County is currently in civil action regarding an appeal of a decision by the Administrative Hearing Officer's opinion regarding interpretation of Georgia law on a previous year's property tax digest. If the County should not prevail on its case, the County could have a liability of approximately $90,000.

The County is involved in several other civil lawsuits filed in the normal course of its activities. The majority of these claims are considered minimal with a favorable outcome expected. The County's position is to vigorously defend its position or seek an out of court settlement. These particular cases are covered by the County's liability insurance less the applicable deductible amount of $15,000 for each case.

23. Subsequent Event

On April 1, 2016, the County issued $5,660,000 in Building Authority Revenue Refunding Bonds, Series 2016A and 2016B, with interest rates of 1.85%. The Series 2016A and 2016B bonds were issued to advance refund $5,880,000 of outstanding Series 2008A and 2008B Bonds with average interest rates of 4.35% and 4.11%, respectively. Net proceeds of $5,540,703 ($5,660,000 less $119,297 in underwriting fees and other costs of issuance) were applied to the $5,540,703 deposited into an irrevocable trust with an escrow agent. Principal and interest payments will be made based on the Series 2016A and 2016B pay down schedule and the Series 2016A and 2016B bonds will be called for redemption at 100% of the outstanding principal plus interest accrued to the redemption date.

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COMBINING STATEMENTS

Nonmajor Governmental Funds

GILMER COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2015

	Special Revenue	
	Emergency 911 Telephone Services	Hotel/ Motel Tax
ASSETS		
Cash and cash equivalents	$ 32,790	$ 0
Receivables		
Accounts	48,416	0
Taxes	0	47,600
Due from other funds	1,822	0
Total assets	$ 83,028	$ 47,600
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 4,159	$ 0
Accrued salaries	19,295	0
Due to other funds	525	47,600
Total liabilities	23,979	47,600
Fund balances		
Restricted for:		
Capital outlay	0	0
Public safety	59,049	0
Total fund balances	59,049	0
Total liabilities and fund balances	$ 83,028	$ 47,600

Special Revenue	Capital Projects	
Multiple Grant	SPLOST 2001	Total Nonmajor Governmental Funds
$ 184,521	$ 5,339	$ 222,650
0	0	48,416
0	0	47,600
0	0	1,822
$ 184,521	$ 5,339	$ 320,488
$ 7,437	$ 0	$ 11,596
0	0	19,295
3,063		51,188
10,500	0	82,079
174,021	5,339	179,360
0	0	59,049
174,021	5,339	238,409
$ 184,521	$ 5,339	$ 320,488

GILMER COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended December 31, 2015

	Special Revenue	
REVENUES	**Emergency 911 Telephone Services**	**Hotel/ Motel Tax**
Taxes	$ 0	$ 489,358
Charges for services	456,277	0
Intergovernmental	0	0
Interest	55	0
Total revenues	456,332	489,358
EXPENDITURES		
Current		
Public Safety	727,916	0
Public Works	0	0
Culture and Recreation	0	0
Housing and Development	0	308,717
Total expenditures	727,916	308,717
Excess (deficiency) of revenues over (under) expenditures	(271,584)	180,641
Other financing sources (uses)		
Transfers in	498,554	0
Transfers (out)	(275,000)	(180,641)
Total other financing sources (uses)	223,554	(180,641)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(48,030)	0
Fund balances, January 1	107,079	0
Fund balances, December 31	$ 59,049	$ 0

Special Revenue	Capital Projects	
Multiple Grant	SPLOST 2001	Total Nonmajor Governmental Funds
$ 0	$ 0	$ 489,358
0	0	456,277
217,353	0	217,353
253	0	308
217,606	0	1,163,296
0	0	727,916
67,485	0	67,485
441,577	0	441,577
0	0	308,717
509,062	0	1,545,695
(291,456)	0	(382,399)
90,000	0	588,554
0	0	(455,641)
90,000	0	132,913
(201,456)	0	(249,486)
375,477	5,339	487,895
$ 174,021	$ 5,339	$ 238,409

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GENERAL FUND

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

GILMER COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 4,834,586	$ 4,514,516
Receivables (net)		
Accounts	308,669	412,960
Intergovernmental	47,243	35,960
Taxes	1,170,756	1,215,088
Due from other funds	217,419	114,287
Prepaids	219,298	233,876
Inventories	6,687	31,418
Restricted assets		
Cash	320,378	419,913
Total assets	$ 7,125,036	$ 6,978,018
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 303,709	$ 424,978
Intergovernmental	691,437	678,033
Accrued salaries and payroll liabilities	433,701	364,730
Due to other funds	315,194	315,664
Due to others	190,188	87,532
Total liabilities	1,934,229	1,870,937
Deferred inflows of resources		
Unavailable revenue - property taxes	551,592	598,393
Fund balances		
Nonspendable:		
Prepaids	219,298	233,876
Inventories	6,687	31,418
Restricted for:		
Judicial	279,105	296,472
Public Safety	40,795	122,963
Public Works	478	478
Unassigned	4,092,852	3,823,481
Total fund balances	4,639,215	4,508,688
Total liabilities, deferred inflows of resources and fund balances	$ 7,125,036	$ 6,978,018

GILMER COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

REVENUES	**2015**	**2014**
Taxes	$ 13,773,390	$ 13,360,316
Licenses and permits	217,307	180,114
Fines, fees and forfeitures	629,669	646,227
Charges for services	1,950,393	2,022,990
Intergovernmental	952,232	1,114,069
Interest	2,943	2,909
Contributions	0	43,000
Other	140,767	103,162
Total revenues	17,666,701	17,472,787
EXPENDITURES		
Current		
General Government	2,687,012	2,379,223
Judicial	2,187,487	1,999,232
Public Safety	8,662,440	8,560,057
Public Works	2,374,076	2,405,952
Health and Welfare	346,597	391,797
Culture and Recreation	786,261	679,503
Housing and Development	386,643	294,292
Total Current	17,430,516	16,710,056
Debt Service		
General Government	53,722	17,328
Public Safety	139,556	134,735
Public Works	11,608	11,607
Total Debt Service	204,886	163,670
Total expenditures	17,635,402	16,873,726
Excess of revenues over expenditures	31,299	599,061
Other financing sources (uses)		
Transfers in	466,295	366,373
Transfers out	(588,554)	(533,440)
Proceeds from capital leases	193,201	217,174
Sale of capital assets	28,286	44,079
Total other financing sources (uses)	99,228	94,186
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	130,527	693,247
Fund balances, January 1, original	4,508,688	4,009,611
Prior period adjustment	0	(194,170)
Fund balances, January 1, restated	4,508,688	3,815,441
Fund balances, December 31	$ 4,639,215	$ 4,508,688

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Real and personal tax	$ 7,412,128	$ 7,606,164	$ 194,036	$ 7,257,147
Motor vehicle tax	1,010,000	1,243,421	233,421	1,268,645
Mobile home tax	90,000	68,271	(21,729)	69,003
Timber tax	2,500	3,665	1,165	4,193
Cost, penalties and interest	450,000	311,146	(138,854)	439,227
Total general property taxes	8,964,628	9,232,667	268,039	9,038,215
Local option sales tax	2,700,000	2,869,458	169,458	2,787,824
Insurance premium tax	1,200,000	1,370,611	170,611	1,279,739
Intangibles tax	150,000	159,459	9,459	141,077
Real estate transfer tax	32,000	65,435	33,435	50,388
Beer and wine tax	50,000	54,190	4,190	53,140
Railroad equipment tax	3,500	4,715	1,215	4,390
Other tax	10,000	16,855	6,855	5,543
Total taxes	13,110,128	13,773,390	663,262	13,360,316
Licenses and permits				
Building permits	100,000	140,015	40,015	114,059
Business licenses	70,000	77,292	7,292	66,055
Total licenses and permits	170,000	217,307	47,307	180,114
Fines, fees and forfeitures	695,000	629,669	(65,331)	646,227
Charges for Services				
Emergency services	752,000	786,172	34,172	979,174
Sheriff services	155,000	145,472	(9,528)	124,342
Fire protection	1,500	0	(1,500)	0
Prisoner board	0	300	300	160
Recreation fees	110,000	114,130	4,130	84,316
Landfill fees	358,000	403,622	45,622	358,459
Airport fees	59,000	54,263	(4,737)	65,975
Collections on commissions	350,000	416,023	66,023	379,755
Other charges for services	30,500	30,411	(89)	30,809
Total charges for services	1,816,000	1,950,393	134,393	2,022,990
Intergovernmental	963,092	952,232	(10,860)	1,114,069
Interest	2,500	2,943	443	2,909

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Contributions	$ 13,369	$ 0	$ (13,369)	$ 43,000
Other				
Rental income	49,050	50,722	1,672	30,492
Miscellaneous	98,057	90,045	(8,012)	72,670
Total other	147,107	140,767	(6,340)	103,162
Total revenues	$ 16,917,196	$ 17,666,701	$ 749,505	$ 17,472,787

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Board of Commissioners				
Personal services	$ 408,753	$ 389,925	$ 18,828	$ 271,767
Contract services	146,370	164,190	(17,820)	136,940
Materials and supplies	24,050	25,588	(1,538)	25,522
Capital outlay	33,600	33,599	1	0
Payment to others	2,000	2,000	0	2,000
Total Board of Commissioners	614,773	615,302	(529)	436,229
County Administration				
Personal services	16,560	16,683	(123)	16,260
Contract services	37,750	34,328	3,422	34,285
Payment to others	1,000	4,317	(3,317)	0
Total County Administration	55,310	55,328	(18)	50,545
Elections/Registrar				
Personal services	39,588	46,140	(6,552)	54,189
Contract services	19,800	18,433	1,367	16,479
Materials and supplies	35,400	10,989	24,411	82,195
Total Elections/Registrar	94,788	75,562	19,226	152,863
Tax Commissioner				
Personal services	315,059	321,987	(6,928)	308,486
Contract services	67,210	75,041	(7,831)	86,090
Materials and supplies	26,000	22,908	3,092	29,475
Total Tax Commissioner	408,269	419,936	(11,667)	424,051
Tax Assessor				
Personal services	539,083	563,444	(24,361)	530,145
Contract services	114,920	105,726	9,194	63,758
Materials and supplies	17,000	28,136	(11,136)	16,546
Capital outlay	77,000	77,000	0	0
Total Tax Assessor	748,003	774,306	(26,303)	610,449
Facility Management				
Personal services	160,638	164,844	(4,206)	156,410
Contract services	343,800	313,992	29,808	296,822
Materials and supplies	203,500	225,220	(21,720)	240,393
Capital outlay	0	25,000	(25,000)	0
Total Facility Management	707,938	729,056	(21,118)	693,625
Board of Equalization				
Personal services	8,612	11,831	(3,219)	7,716
Contract services	4,700	5,691	(991)	3,543
Materials and supplies	500	0	500	202
Total Board of Equalization	13,812	17,522	(3,710)	11,461
Total General Government	2,642,893	2,687,012	(44,119)	2,379,223

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Judicial				
Superior Court				
Personal services	$ 112,385	$ 104,116	$ 8,269	$ 97,906
Contract services	212,020	226,558	(14,538)	201,167
Materials and supplies	38,852	38,851	1	38,851
Total Superior Court	363,257	369,525	(6,268)	337,924
Clerk of Superior Court				
Personal services	454,553	446,132	8,421	442,345
Contract services	33,325	31,496	1,829	27,908
Materials and supplies	54,000	45,684	8,316	44,029
Total Clerk of Superior Court	541,878	523,312	18,566	514,282
District Attorney				
Personal services	297,451	341,402	(43,951)	260,619
Contract services	4,700	4,509	191	2,940
Materials and supplies	35,640	42,094	(6,454)	39,467
Total District Attorney	337,791	388,005	(50,214)	303,026
Magistrate Court				
Personal services	190,549	189,273	1,276	166,955
Contract services	12,411	10,546	1,865	8,435
Materials and supplies	9,000	8,195	805	9,798
Total Magistrate Court	211,960	208,014	3,946	185,188
Probate Court				
Personal services	196,013	198,387	(2,374)	178,932
Contract services	20,325	24,082	(3,757)	21,893
Materials and supplies	18,279	18,470	(191)	25,018
Total Probate Court	234,617	240,939	(6,322)	225,843
Juvenile Court				
Personal services	243,079	189,153	53,926	179,114
Contract services	41,000	30,932	10,068	30,602
Materials and supplies	16,788	13,498	3,290	12,967
Total Juvenile Court	300,867	233,583	67,284	222,683
Public Defender				
Contract services	107,750	107,572	178	102,444
Materials and supplies	7,800	7,917	(117)	7,087
Payments to other agencies	111,654	108,620	3,034	100,755
Total Public Defender	227,204	224,109	3,095	210,286
Total Judicial	2,217,574	2,187,487	30,087	1,999,232

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Safety				
Sheriff				
Personal services	$ 2,445,478	$ 2,419,947	$ 25,531	$ 2,277,361
Contract services	264,280	358,891	(94,611)	331,737
Materials and supplies	274,650	310,413	(35,763)	406,613
Capital outlay	52,135	143,500	(91,365)	225,539
Total Sheriff	3,036,543	3,232,751	(196,208)	3,241,250
Detention Center				
Personal services	1,161,386	1,284,139	(122,753)	1,211,786
Contract services	422,200	414,883	7,317	457,696
Materials and supplies	293,000	295,596	(2,596)	296,452
Capital outlay	0	130,173	(130,173)	0
Total Detention Center	1,876,586	2,124,791	(248,205)	1,965,934
Appalachian DTF				
Contract services	45,000	30,467	14,533	40,229
Fire				
Personal services	2,205,649	2,334,179	(128,530)	2,359,360
Contract services	312,250	358,116	(45,866)	385,078
Materials and supplies	243,400	268,626	(25,226)	295,283
Capital outlay	14,000	26,728	(12,728)	0
Payments to others	19,900	19,851	49	19,851
Total Fire	2,795,199	3,007,500	(212,301)	3,059,572
Coroner				
Personal services	14,553	25,728	(11,175)	13,510
Contract services	30,088	20,983	9,105	27,422
Materials and supplies	4,275	2,340	1,935	1,525
Total Coroner	48,916	49,051	(135)	42,457
Emergency Management				
Personal services	34,888	34,436	452	33,052
Contract services	2,400	16,393	(13,993)	16,425
Materials and supplies	2,600	855	1,745	6,747
Total Emergency Management	39,888	51,684	(11,796)	56,224
Animal Control				
Personal services	120,938	113,512	7,426	110,094
Contract services	12,450	14,108	(1,658)	9,240
Materials and supplies	36,900	38,576	(1,676)	35,057
Total Animal Control	170,288	166,196	4,092	154,391
Total Public Safety	8,012,420	8,662,440	(650,020)	8,560,057

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Works				
Road Department				
Personal services	$ 814,871	$ 687,602	$ 127,269	$ 641,760
Contract services	123,900	155,442	(31,542)	156,328
Materials and supplies	304,100	336,268	(32,168)	400,992
Capital outlay	655,000	337,670	317,330	391,090
Total Road Department	1,897,871	1,516,982	380,889	1,590,170
Landfill				
Personal services	251,277	248,427	2,850	239,430
Contract services	300,825	367,100	(66,275)	336,841
Total Landfill	552,102	615,527	(63,425)	576,271
Maintenance Shop				
Personal services	159,910	165,040	(5,130)	156,922
Contract services	3,750	165	3,585	0
Materials and supplies	4,000	5,387	(1,387)	4,760
Total Maintenance Shop	167,660	170,592	(2,932)	161,682
Airport				
Personal services	20,773	24,167	(3,394)	13,614
Contract services	19,325	11,992	7,333	18,889
Materials and supplies	30,319	34,816	(4,497)	45,326
Total Airport	70,417	70,975	(558)	77,829
Total Public Works	2,688,050	2,374,076	313,974	2,405,952
Health and Welfare				
Health Department				
Contract services	6,800	7,063	(263)	7,640
Materials and supplies	8,600	12,099	(3,499)	12,053
Payments to others	147,092	134,834	12,258	159,350
Total Health Department	162,492	153,996	8,496	179,043
Bus Transportation				
Contract services	108,550	149,337	(40,787)	156,257
Senior Citizens Center				
Materials and supplies	750	261	489	203
DFACS				
Payments to others	18,000	18,000	0	18,000
Community Service				
Personal services	38,909	18,415	20,494	33,834
Contract services	1,050	439	611	890
Materials and supplies	7,000	3,538	3,462	2,695
Total Community Service	46,959	22,392	24,567	37,419
Family Connection				
Personal services	0	2,137	(2,137)	875
Contract services	0	474	(474)	0
Total Family Connection	0	2,611	(2,611)	875
Total Health and Welfare	336,751	346,597	(9,846)	391,797

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(with comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Culture and Recreation				
Parks and Recreation				
Personal services	$ 199,130	$ 265,496	$ (66,366)	$ 183,445
Contract services	106,570	87,173	19,397	71,036
Materials and supplies	112,300	110,037	2,263	119,832
Total Parks and Recreation	418,000	462,706	(44,706)	374,313
Libraries				
Contract services	2,500	4,090	(1,590)	2,839
Materials and supplies	43,000	39,976	3,024	41,523
Payments to others	233,532	233,532	0	229,671
Total Libraries	279,032	277,598	1,434	274,033
Civic Center				
Contract services	3,500	16,102	(12,602)	5,849
Materials and supplies	24,500	29,855	(5,355)	25,308
Total Civic Center	28,000	45,957	(17,957)	31,157
Total Culture and Recreation	725,032	786,261	(61,229)	679,503
Housing and Development				
Planning and Zoning				
Personal services	211,968	229,442	(17,474)	208,506
Contract services	25,935	59,081	(33,146)	27,235
Materials and supplies	16,500	14,464	2,036	22,397
Total Planning and Zoning	254,403	302,987	(48,584)	258,138
County Agent				
Personal services	31,944	30,599	1,345	29,360
Contract services	4,600	5,494	(894)	3,978
Materials and supplies	3,600	2,563	1,037	2,816
Total County Agent	40,144	38,656	1,488	36,154
Joint Development Authority				
Payments to others	45,000	45,000	0	0
Total Housing and Development	339,547	386,643	(47,096)	294,292
Total Current	16,962,267	17,430,516	(468,249)	16,710,056
Debt Service				
General Government				
Board of Commissioners	61,200	26,728	34,472	17,328
Tax Assessor	26,994	26,994	0	0
Total General Government	88,194	53,722	34,472	17,328
Public Safety				
Sheriff	139,567	139,556	11	111,904
Fire	22,831	0	22,831	22,831
Total Public Safety	162,398	139,556	22,842	134,735
Public Works				
Road Department	11,607	11,608	(1)	11,607
Total Debt Service	262,199	204,886	57,313	163,670
Total Expenditures	$ 17,224,466	$ 17,635,402	$ (410,936)	$ 16,873,726

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees for the operation of the 911 emergency system.

Hotel/Motel Tax Fund – This fund is used to account for Hotel/Motel tax collections which are used to support tourism in Habersham County.

Multiple Grant Fund – This fund is used to account for grants received restricted for special purposes.

GILMER COUNTY, GEORGIA
EMERGENCY 911 TELEPHONE SERVICES
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 32,790	$ 85,105
Accounts receivable	48,416	37,373
Due from other funds	1,822	2,338
Total assets	$ 83,028	$ 124,816
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 4,159	$ 4,218
Accrued salaries	19,295	13,519
Due to other funds	525	0
Total liabilities	23,979	17,737
Fund balances		
Restricted for Public Safety	59,049	107,079
Total liabilities and fund balances	$ 83,028	$ 124,816

GILMER COUNTY, GEORGIA
EMERGENCY 911 TELEPHONE SERVICES
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 425,000	$ 456,277	$ 31,277	$ 456,902
Interest	0	55	55	158
Total revenues	425,000	456,332	31,332	457,060
EXPENDITURES				
Current				
Public Safety				
Personal services	573,641	613,565	(39,924)	584,436
Contract services	120,650	100,241	20,409	138,869
Supplies	22,000	14,110	7,890	12,262
Total expenditures	716,291	727,916	(11,625)	735,567
Excess (deficiency) of revenues over (under) expenditures	(291,291)	(271,584)	19,707	(278,507)
Other financing sources (uses)				
Transfers in	291,291	498,554	207,263	343,256
Transfers out	0	(275,000)	(275,000)	(150,000)
Total other financing sources (uses)	291,291	223,554	(67,737)	193,256
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(48,030)	(48,030)	(85,251)
Fund balance, January 1	0	107,079	107,079	192,330
Fund balances, December 31	$ 0	$ 59,049	$ 59,049	$ 107,079

GILMER COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Taxes receivable	$ 47,600	$ 37,243
Due from other funds	0	13,039
Total assets	$ 47,600	$ 50,282
LIABILITIES AND FUND BALANCES		
Liabilities		
Intergovernmental	$ 0	$ 50,282
Due to other funds	47,600	0
Total liabilities	47,600	50,282
Fund balances		
Assigned to housing and development	0	0
Total liabilities and fund balances	$ 47,600	$ 50,282

GILMER COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	$ 300,000	$ 489,358	$ 189,358	$ 405,167
EXPENDITURES				
Current				
Housing and Development				
Payments to others	210,000	308,717	(98,717)	275,785
Total expenditures	210,000	308,717	(98,717)	275,785
Excess (deficiency) of revenues over (under) expenditures	90,000	180,641	90,641	129,382
Other financing sources (uses)				
Transfers out	(90,000)	(180,641)	(90,641)	(129,382)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	0	0
Fund balance, January 1	0	0	0	0
Fund balances, December 31	$ 0	$ 0	$ 0	$ 0

GILMER COUNTY, GEORGIA
MULTIPLE GRANT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 184,521	$ 390,739
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 7,437	$ 15,262
Due to other funds	3,063	0
Total liabilities	10,500	15,262
Fund balances		
Restricted for capital outlay	174,021	375,477
Total liabilities and fund balances	$ 184,521	$ 390,739

GILMER COUNTY, GEORGIA
MULTIPLE GRANT SPECIAL REVENUE FUND
STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2015 and 2014

	2015	2014
REVENUES		
Intergovernmental	$ 217,353	$ 668,118
Interest	253	1,823
Total revenues	217,606	669,941
EXPENDITURES		
Current		
Public Works		
Capital outlay	67,485	145,182
Culture and Recreation		
Contract services	3,019	0
Capital outlay	438,558	162,772
Total expenditures	509,062	307,954
Excess (deficiency) of revenues over (under) expenditures	(291,456)	361,987
Other financing sources (uses)		
Transfers in	90,000	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(201,456)	361,987
Fund balance, January 1	375,477	13,490
Fund balances, December 31	$ 174,021	$ 375,477

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DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

Debt Service SPLOST Fund – This fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest financed by special purpose local option sales taxes.

GILMER COUNTY, GEORGIA
DEBT SERVICE SPLOST FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 4,041,477	$ 2,992,332
Taxes receivable, net	439,314	472,299
Due from other funds	48,409	35,324
Restricted assets		
Cash and cash equivalents	106,383	0
Total assets	$ 4,635,583	$ 3,499,955
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Intergovernmental payable	$ 25,602	$ 27,120
Due to other funds	50,000	0
Total liabilities	75,602	27,120
Deferred Inflows of Resources		
Unavailable revenue - property taxes	78,103	92,749
Fund balances		
Restricted for debt service	4,481,878	3,380,086
Total liabilities, deferred inflows of resources, and fund balances	$ 4,635,583	$ 3,499,955

GILMER COUNTY, GEORGIA
DEBT SERVICE SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 4,000,000	$ 5,010,216	$ 1,010,216	$ 4,812,468
Charges for services	121,872	132,868	10,996	121,872
Interest	0	2,362	2,362	1,783
Total revenues	4,121,872	5,145,446	1,023,574	4,936,123
EXPENDITURES				
Intergovernmental	229,500	292,765	(63,265)	342,933
Debt service	3,892,372	3,895,432	(3,060)	3,965,627
Total expenditures	4,121,872	4,188,197	(66,325)	4,308,560
Excess (deficiency) of revenues over (under) expenditures	0	957,249	957,249	627,563
Other financing sources (uses)				
Transfers out	0	(356,040)	(356,040)	(190,681)
Payment to refunded bond escrow agent	0	(22,399,417)	(22,399,417)	(16,283,667)
Proceeds of refunding bonds	0	22,900,000	22,900,000	16,565,000
Total other financing sources (uses)	0	144,543	144,543	90,652
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	1,101,792	1,101,792	718,215
Fund balances, January 1, original	0	3,380,086	3,380,086	2,651,156
Prior period adjustment	0	0	0	10,715
Fund balances, January 1, restated	0	3,380,086	3,380,086	2,661,871
Fund balances, December 31	$ 0	$ 4,481,878	$ 4,481,878	$ 3,380,086

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CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Special Purpose Local Option Sales Tax 2001Fund – This fund is used to account for long-term projects financed by the 2001 passage of a special purpose local option sales tax.

Special Purpose Local Option Sales Tax 2003 Fund – This fund is used to account for long-term projects financed by the 2003 passage of a special purpose local option sales tax.

Capital Projects Fund – This fund is used to account for general purpose long-term capital projects financed from various revenue sources.

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2001
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 5,339	$ 5,339
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for capital outlay	$ 5,339	$ 5,339

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2001
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2015 and 2014

REVENUES	**2015**	**2014**
Interest	$ 0	$ 6
EXPENDITURES		
Total expenditures	0	0
Excess (deficiency) of revenues over (under) expenditures	0	6
Fund balances, January 1	5,339	5,333
Fund balances, December 31	$ 5,339	$ 5,339

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2003
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 686	$ 2,592
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for capital outlay	$ 686	$ 2,592

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2003
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2015 and 2014

REVENUES	**2015**	**2014**
Total revenues	$ 0	$ 0
EXPENDITURES		
Debt service		
Public Works		
Road Department	357,106	325,241
Excess (deficiency) of revenues over (under) expenditures	(357,106)	(325,241)
Other financing sources (uses)		
Transfer in	355,200	327,181
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,906)	1,940
Fund balances, January 1	2,592	652
Fund balances, December 31	$ 686	$ 2,592

GILMER COUNTY, GEORGIA
CAPITAL PROJECTS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	**2015**	**2014**
Investments	$ 0	$ 61,005
Prepaids	1,646,931	0
Due from other funds	261,906	261,906
Restricted assets		
Cash and cash equivalents	141	1,959,829
Total assets	$ 1,908,978	$ 2,282,740
LIABILITIES AND FUND BALANCES		
Liabilities		
Fund balances		
Nonspendable:		
Prepaids	$ 1,646,931	$ 0
Restricted for capital outlay	262,047	2,282,740
Total fund balances	1,908,978	2,282,740
Total liabilities and fund balances	$ 1,908,978	$ 2,282,740

GILMER COUNTY, GEORGIA
CAPITAL PROJECTS
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2015 and 2014

REVENUES	**2015**	**2014**
Interest	$ 1,025	$ 5,700
EXPENDITURES		
Capital outlay		
Public Safety		
Sheriff	161,778	0
Fire	163,000	0
Public Works		
Road Department	0	75,000
Culture and Recreation		
Parks	0	20,533
Debt service	50,009	0
Total expenditures	374,787	95,533
Excess (deficiency) of revenues over (under) expenditures	(373,762)	(89,833)
Fund balances, January 1	2,282,740	2,372,573
Fund balances, December 31	$ 1,908,978	$ 2,282,740

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

White Path Golf Course Fund - Used to account for activities connected with the development, operation and maintenance of golf course services in Gilmer County.

GILMER COUNTY, GEORGIA
WHITE PATH GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
December 31, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 81,267	$ 96,070
Due from other funds	3,057	3,057
Total current assets	84,324	99,127
Capital assets		
Land	56,000	0
Land improvements	21,826	0
Machinery and equipment	11,616	0
Accumulated depreciation	(21,826)	0
Total capital assets (net of accumulated depreciation)	67,616	0
Total assets	151,940	99,127
LIABILITIES		
Current liabilities		
Accounts payable	1,706	2,922
Accrued salaries and other payroll liabilities	5,659	4,799
Compensated absences	4,902	5,173
Due to other funds	116,231	114,287
Total liabilities	128,498	127,181
NET POSITION		
Invested in capital assets	67,616	0
Unrestricted	(44,174)	(28,054)
Total net position	$ 23,442	$ (28,054)

GILMER COUNTY, GEORGIA
WHITE PATH GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the years ended December 31, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services	$ 401,302	$ 377,106
Total operating revenues	401,302	377,106
OPERATING EXPENSES		
Costs of sales and services	179,498	140,843
Personal services	216,615	192,126
Total operating expenses	396,113	332,969
Operating income (loss)	5,189	44,137
Non-operating revenues (expenses)		
Interest revenue	121	122
Net income (loss) before capital contributions and transfers	5,310	44,259
Capital contributions		
Contributions of capital assets	56,000	0
Net income (loss) before transfers	61,310	44,259
Transfers out	(9,814)	(57,915)
Change in net position	51,496	(13,656)
Net position, January 1	(28,054)	(14,398)
Net position, December 31	$ 23,442	$ (28,054)

GILMER COUNTY, GEORGIA
WHITE PATH GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the years ended December 31, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 401,302	$ 377,106
Payments to suppliers	(180,714)	(141,630)
Payments to employees	(216,026)	(184,341)
Net cash provided (used) by operating activities	4,562	51,135
Cash flows from non-capital financing activities:		
Receipts from other funds	1,944	0
Payments to other funds	(9,814)	(60,431)
Net cash provided by non-capital financing activities	(7,870)	(60,431)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(11,616)	0
Cash flows from investing activities:		
Interest received	121	122
Net increase (decrease) in cash and cash equivalents	(14,803)	(9,174)
Cash and cash equivalents, January 1	96,070	105,244
Cash and cash equivalents, December 31	$ 81,267	$ 96,070
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 5,189	$ 44,137
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Increase (decrease) in accounts payable	(1,216)	(787)
Increase (decrease) in accrued payroll liabilities	589	7,785
Total adjustments	(627)	6,998
Net cash provided (used) by operating activities	$ 4,562	$ 51,135

Noncash capital and related financing activities:
Contributions of capital assets from other funds total $56,000 for the year ended December 31, 2015.

AGENCY FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Magistrate Court, Probate Court, and Clerk of Court - These funds account for assets and related liabilities for the collection of court related fees.

Inmate Escrow - This fund accounts for deposits held for incarcerated inmates.

GILMER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING BALANCE SHEET
December 31, 2015

	Tax Commissioner	Magistrate Court
ASSETS		
Cash and cash equivalents	$ 671,888	$ 9,240
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 671,888	$ 9,240

Probate Court	Clerk of Superior Court	Inmate Escrow Fund	Totals
$ 26,352	$ 265,747	$ 17,651	$ 990,878
$ 26,352	$ 265,747	$ 17,651	$ 990,878

GILMER COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the year ended December 31, 2015

	Balance January 1	Additions	Deletions	Balance December 31
TAX COMMISSIONER				
ASSETS				
Cash and cash equivalents	$ 611,091	$ 32,780,833	$ 32,720,036	$ 671,888
LIABILITIES				
Due to others	$ 611,091	$ 32,780,833	$ 32,720,036	$ 671,888
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	$ 16,111	$ 159,501	$ 166,372	$ 9,240
LIABILITIES				
Due to others	$ 16,111	$ 159,501	$ 166,372	$ 9,240
PROBATE COURT				
ASSETS				
Cash and cash equivalents	$ 65,821	$ 357,682	$ 397,151	$ 26,352
LIABILITIES				
Due to others	$ 65,821	$ 357,682	$ 397,151	$ 26,352
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and cash equivalents	$ 266,910	$ 1,251,796	$ 1,252,959	$ 265,747
LIABILITIES				
Due to others	$ 266,910	$ 1,251,796	$ 1,252,959	$ 265,747
INMATE ESCROW FUND				
ASSETS				
Cash and cash equivalents	$ 5,179	$ 549,322	$ 536,850	$ 17,651
LIABILITIES				
Due to others	$ 5,179	$ 549,322	$ 536,850	$ 17,651
TOTALS				
ALL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 965,112	$ 35,099,134	$ 35,073,368	$ 990,878
LIABILITIES				
Due to others	$ 965,112	$ 35,099,134	$ 35,073,368	$ 990,878

OTHER REPORTING SECTION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

Honorable Chairman and Members
of the Board of Commissioners
Gilmer County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Gilmer County, Georgia, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Gilmer County, Georgia's basic financial statements and have issued our report thereon dated June 23, 2016. Our report includes a reference to other auditors who audited the financial statements of the Gilmer County Department of Public Health, as described in our report on Gilmer County, Georgia's financial statements. This report does not included the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gilmer County, Georgia as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered Gilmer County, Georgia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in Gilmer County, Georgia's internal control to be material weaknesses:

Comment 2015-01

Condition: While performing audit procedures at the Magistrate Court, we noted that all employees can receipt, make deposits, and record receipts in the accounting software. Additionally, the Clerk receipts monies and performs the bank reconciliations.

Criteria: Proper internal controls require adequate segregation of duties in control over adjustments to the general ledger.

Comment 2015-01, continued

Effect: Failure to maintain adequate segregation of duties subjects the assets of the County to greater risk of misappropriation.

Recommendation: To ensure that sufficient internal controls are in place, the Probate Court Judge should review the daily receipt report and the monthly bank reconciliations evidencing his review with initials.

Management Response: Management concurs with this finding. Management will advise the appropriate Elected Officials to implement the recommendation. This action was taken immediately upon receipt of the comment from our auditors.

Comment 2015-02

Condition: While performing audit procedures at the Detention Center, we noted that the Bookkeeper prepares checks, signs checks and prepares the month bank reconciliation.

Criteria: Proper internal controls require adequate segregation of duties in control over adjustments to the general ledger.

Effect: Failure to maintain adequate segregation of duties subjects the assets of the County to greater risk of misappropriation.

Recommendation: To ensure that sufficient internal controls are in place, the Jail Administrator should sign all checks and review the month bank reconciliations evidencing his review with initials.

Management Response: Management concurs with this finding. Management will advise the appropriate Elected Officials to implement the recommendation. This action was taken immediately upon receipt of the comment from our auditors.

Comment 2015-03

Condition: The 2014 financial statements were restated for incorrect allocation of Title Ad Valorem Tax in prior years. During 2015, the County was able to obtain documentation of this incorrect recording and therefore restated.

Criteria: State law requires Title Ad Valorem Tax be paid out to certain agencies based on the correct allocation.

Effect: Agencies received incorrect amounts and expenditures were understated in prior years.

Recommendation: Management should review their procedures for ensuring that the correct allocation is used when calculating Title Ad Valorem payouts.

Management Response: Management concurs with this finding. Management will advise the appropriate Elected Official to implement this recommendation. This action was taken immediately upon receipt of the comment from our auditors.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described below to be significant deficiencies:

Comment 2015-04

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to the County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, future changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the County Finance Officer is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors. As required, we have indicated this as a significant deficiency in our letter on Internal Control and Compliance.

Criteria: Effective internal control requires that the County accept responsibility and understanding of the audited financial report.

Effect: Failure to understand the vast amount of requirements for reporting in financial statements may lead to material misstatements.

Recommendation: County personnel should continue to receive training in the identification and application of generally accepted accounting principles and the preparation of the County's financial statements.

Management Response: Management agrees with this finding and understands the requirement of SAS 112 to issue this statement as a Significant Deficiency. All employees of the Board of Commissioners Finance Office will continue to seek training in the application of generally accepted accounting principles and in the preparation of the County's financial statements. Until such time it is financially feasible for the County finance staff to prepare the County's financial statements, the Finance Office will continue to rely on an independent auditor to prepare them.

Comment 2015-05

Condition: While performing audit procedures on building permits, we noted instances where deposits were not made timely. Receipts were held for seven or more days before depositing.

Criteria: Proper internal controls require that cash receipts be deposited and transactions recorded in a timely manner.

Effect: Failure to deposit cash receipts in a timely manner exposes the County to a greater risk of loss due to fraud.

Recommendation: At a minimum, deposits should be made weekly.

Management Response: Management concurs with this finding. Management has advised the Department Head to implement the recommendation to ensure that deposits are made timely. This action was taken immediately upon receipt of the comment from our auditors.

Compliance and Other Matters

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

Comment 2015-06

Condition: The County experienced a material excess of expenditures over appropriations in the General and Hotel/Motel Tax Special Revenue Funds. Also, an annual budget was not adopted for the Multiple Grant Special Revenue Fund.

Criteria: OCGA Code Section 36-81-3 requires local governments to operate under an approved annual budget for the General Fund, special revenue funds, and debt service funds.

Effect: Failure to maintain expenditures within the balanced budget for the General Fund and failure to adopt annual budgets as required by OCGA Code Section 36-81-3 will place the County in violation of state law.

Recommendation: County management should ensure that annual operating budgets are adopted for the General Fund, all Special Revenue Funds, and the Debt Service Fund, as required by state law. Budget to actual comparisons should be periodically reviewed by County management and budgets amended as needed to ensure that the County remains in compliance with state law.

Management Response: Management concurs with this finding. The County Finance Officer will ensure that an annual budget be adopted for the General Fund, all Special Revenue Funds, and the Debt Service Fund, and will review the budget to actual comparisons and recommend any necessary budget revisions to the Board of Commissioners. This action was implemented immediately upon receipt of the comment from our auditors.

Gilmer County, Georgia's Response to Findings

Gilmer County, Georgia's responses to the findings identified in our audit are described above. We did not audit Gilmer County, Georgia's responses and, accordingly, we express no opinion on them.

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants
Gainesville, Georgia
June 23, 2016

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STATE REPORTING SECTION

This section contains additional reports required by the State of Georgia.

GILMER COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2015

Project	Estimated Cost		Expenditures		
			Prior	Current	
	Original	Current	Years	Year	Total
2001 Referendum					
Roads and Bridges	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000
Landfill/Solid Waste	1,500,000	1,500,000	1,717,882	0	1,717,882
Total	$ 6,500,000	$ 6,500,000	$ 6,717,882	$ 0	$ 6,717,882
2003 Referendum					
New Courthouse and Library	$ 8,000,000	$ 21,974,958	$ 33,378,459	$ 0	$ 33,378,459
Roads and Bridges	6,600,000	6,600,000	5,253,680	1,906	5,255,586
Landfill/Solid Waste	5,400,000	5,400,000	192,852	0	192,852
Total	$ 20,000,000	$ 33,974,958	$ 38,824,991	$ 1,906	$ 38,826,897
Current year expenditures				$ 1,906	
Expenditures financed through other revenues and transfers from other funds				355,200	
Total expenditures of the SPLOST 2003 Capital Projects Fund				$ 357,106	

GILMER COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2015

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2009 Referendum					
Gilmer County					
Debt Service - Series 2005 A & B Bonds and Series 2007 Bonds	$ 24,315,180	$ 24,315,180	$ 20,558,305	$ 2,003,388	$ 22,561,693
Public Safety	0	203,117	203,117	0	203,117
Roads and Bridges	6,966,370	6,763,253	157,191	0	157,191
Recreational Facilities	300,000	300,000	50,118	0	50,118
City of Ellijay	2,363,550	2,363,550	1,543,037	0	1,543,037
City of East Ellijay	1,054,900	1,054,900	684,178	0	684,178
	$ 35,000,000	$ 35,000,000	$ 23,195,946	$ 2,003,388	$ 25,199,334
2014 Referendum					
Gilmer County					
Debt Service - Series 2005A Bonds, Series 2007 Bonds and Series 2008 A & B Bonds and acquisition, construction, and equipping of capital outlay for road, street, and bridge purposes, to include sidewalks, bicycle paths, and capital equipment for solid waste handling equipment and disposal facilities, public safety facilities and equipment, parks and recreational facilities, water and sewer expansion, and vehicles and equipment for various County departments and other County infastructure	$ 20,778,750	$ 20,778,750	$ 0	$ 230,464	$ 230,464
Roads and Bridges			0	355,200	355,200
City of Ellijay	1,287,000	1,287,000	0	218,904	218,904
City of East Ellijay	434,250	434,250	0	73,861	73,861
	$ 22,500,000	$ 22,500,000	$ 0	$ 878,429	$ 878,429
Current year expenditures for 2009 and 2014 Referendum				$ 2,881,817	
Expenditures financed by other revenue sources				1,161,837	
Expenditures financed through bond refunding				500,583	
Total expenditures and transfers out of the Debt Service SPLOST Fund				$ 4,544,237	

Note: The beginning balances for actual expenditures in the SPLOST 2009 Referendum have been restated by $237,133. This restatement is due to incorrect calculation of SPLOST expenditures being reported on the SPLOST schedule in the prior year.

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