GILMER COUNTY, GEORGIA

Annual Financial Report

For the year ended December 31, 2018

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GILMER COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 2018

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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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Gilmer County, Georgia, as of and for the year ended December 31, 2018, 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. 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Gilmer County, Georgia, as of December 31, 2018, and the respective changes in the financial position and the budgetary comparison of the General Fund and Multiple Grant Special Revenue 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 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 schedule of projects financed with 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, 2017, which are not presented with the accompanying financial statements. In our report dated June 6, 2018, 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 2017 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 2017 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 2017 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 2017 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 *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2019, 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
May 15, 2019

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GILMER COUNTY
BOARD OF COMMISSIONERS

Charlie Paris, Chairman
Dallas Miller, Post 1 Commissioner
Karleen Ferguson, Post 2 Commissioner

Edwina Daman, County Clerk
Sandi Holden, Finance Officer
David Clark, County Attorney

GILMER COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2018

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, 2018.

USING THE DECEMBER 31, 2017 AUDIT

The audit of Gilmer County, Georgia for the fiscal year ended December 31, 2018 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, 2018 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	
	2018	2017	2018	2017	2018	2017
Current assets	$ 16,240,976	$ 16,151,715	$ (56,424)	$ (89,108)	$ 16,184,552	$ 16,062,607
Capital assets	74,987,706	76,182,954	624,728	634,245	75,612,434	76,817,199
Total assets	91,228,682	92,334,669	568,304	545,137	91,796,986	92,879,806
Deferred inflows of resources						
Deferred charges on refunding	1,243,063	1,354,748	0	0	1,243,063	1,354,748
Current liabilities	5,405,675	5,709,254	30,931	23,385	5,436,606	5,732,639
Noncurrent liabilities	41,049,516	44,046,683	0	0	41,049,516	44,046,683
Total liabilities	46,455,191	49,755,937	30,931	23,385	46,486,122	49,779,322
Net position:						
Net investment in capital assets	31,062,153	29,445,284	624,728	634,245	31,686,881	30,079,529
Restricted	8,385,820	7,991,924	0	0	8,385,820	7,991,924
Unrestricted	6,568,581	6,496,272	(87,355)	(112,493)	6,481,226	6,383,779
Total net position	$ 46,016,554	$ 43,933,480	$ 537,373	$ 521,752	$ 46,553,927	$ 44,455,232

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, 2018 compared to the previous year.

Table 2: Condensed Statement of Activities

Revenues	Governmental Activities 2018	Governmental Activities 2017	Business-Type Activities 2018	Business-Type Activities 2017	Total 2018	Total 2017
Program revenues:						
Charges for services	$ 4,259,424	$ 4,150,248	$ 391,195	$ 401,552	$ 4,650,619	$ 4,551,800
Operating grants and contributions	649,572	396,208	0	0	649,572	396,208
Capital grants and contributions	740,400	1,154,996	0	0	740,400	1,154,996
General revenues:						
Property taxes	13,043,168	11,626,639	0	0	13,043,168	11,626,639
Sales tax	7,748,655	7,144,780	0	0	7,748,655	7,144,780
Hotel/Motel	681,775	604,038	0	0	681,775	604,038
Insurance Premium	1,691,134	1,567,323	0	0	1,691,134	1,567,323
Other taxes	721,037	595,788	0	0	721,037	595,788
Other revenue	236,037	237,595	379	68	236,416	237,663
Total revenues	29,771,202	27,477,615	391,574	401,620	30,162,776	27,879,235
Expenses						
General Government	3,661,357	3,490,090	0	0	3,661,357	3,490,090
Judicial	2,521,149	2,492,566	0	0	2,521,149	2,492,566
Public Safety	12,527,057	12,661,689	0	0	12,527,057	12,661,689
Public Works	4,778,188	3,555,955	0	0	4,778,188	3,555,955
Health and Welfare	322,905	353,480	0	0	322,905	353,480
Culture and Recreation	1,789,442	1,642,064	0	0	1,789,442	1,642,064
Housing and Development	772,784	766,134	0	0	772,784	766,134
Interest on long-term debt	1,136,729	1,800,402	0	0	1,136,729	1,800,402
White Path Golf Course	0	0	554,470	545,393	554,470	545,393
Total expenses	27,509,611	26,762,380	554,470	545,393	28,064,081	27,307,773
Increase (decrease) in net position before transfers	2,261,591	715,235	(162,896)	(143,773)	2,098,695	571,462
Transfers	(178,517)	(659,219)	178,517	659,219	0	0
Increase (decrease) in net position	2,083,074	56,016	15,621	515,446	2,098,695	571,462
Net position-beginning	43,933,480	43,877,464	521,752	6,306	44,455,232	43,883,770
Net position-ending	$ 46,016,554	$ 43,933,480	$ 537,373	$ 521,752	$ 46,553,927	$ 44,455,232

During the fiscal year ending December 31, 2018 the net position of Gilmer County's governmental activities increased $2,083,074. Revenues increased $2,293,587 from the previous fiscal year and expenditures decreased $747,231 compared to FY 2017.

Approximately 44% of the County's revenue came from property taxes, 36% 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 46% allotted to public safety, 17% to public works, 13% to general government services, and the remaining 24% 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, 2018, the County's governmental funds reported a combined ending fund balance of $14,440,074, of which $5,613,026 is unassigned fund balance, $8,385,820 is restricted for specific purposes, and $441,228 is nonspendable fund balance.

The General Fund – the operating fund of the County – had a net increase in unassigned fund balance of $244,892 compared to FY 2017.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

At December 31, 2018, Gilmer County reported $74,987,706 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 43-44 of this report.

At December 31, 2018, long-term debt was $41,049,516 for governmental activities compared to $44,046,683 at December 31, 2017. 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 45-49 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 above 2017 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 2019, 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) Unforeseen 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

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 12,791,893	$ 36,630	$ 12,828,523	$ 467,321
Restricted assets				
Cash and cash equivalents	481,662	0	481,662	0
Receivables (net)				
Accounts	383,889	622	384,511	109,982
Intergovernmental	2,000	0	2,000	0
Taxes	2,046,628	0	2,046,628	0
Prepaids	428,972	0	428,972	0
Inventories	12,256	0	12,256	691
Internal balances	93,676	(93,676)	0	0
Total current assets	16,240,976	(56,424)	16,184,552	577,994
Noncurrent assets				
Capital assets				
Non-depreciable	14,023,793	310,632	14,334,425	0
Depreciable (net)	60,963,913	314,096	61,278,009	24,404
Total noncurrent assets	74,987,706	624,728	75,612,434	24,404
Total assets	91,228,682	568,304	91,796,986	602,398
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	1,243,063	0	1,243,063	0
Deferred outflows of resources - pension	0	0	0	137,715
Deferred outflows of resources - OPEB	0	0	0	95,268
Total deferred outflows of resources	1,243,063	0	1,243,063	232,983
LIABILITIES				
Current liabilities				
Payables				
Accounts	664,083	11,001	675,084	7,569
Intergovernmental	61,493	0	61,493	0
Interest	349,432	0	349,432	0
Accrued salaries and payroll liabilities	509,920	8,388	518,308	0
Compensated absences	533,740	11,542	545,282	17,059
Unearned revenue	162,327	0	162,327	0
Capital leases payable	213,181	0	213,181	0
Bonds payable	2,870,000	0	2,870,000	0
Post-closure care costs	41,499	0	41,499	0
Total current liabilities	5,405,675	30,931	5,436,606	24,628
Noncurrent liabilities				
Compensated absences	0	0	0	17,059
Net pension liability	0	0	0	718,856
Net OPEB liability	0	0	0	584,072
Capital leases payable	380,631	0	380,631	0
Bonds payable	40,424,989	0	40,424,989	0
Post-closure care costs	243,896	0	243,896	0
Total noncurrent liabilities	41,049,516	0	41,049,516	1,319,987
Total liabilities	46,455,191	30,931	46,486,122	1,344,615

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

Exhibit A-1, continued

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2018

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Unit
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	$ 0	$ 0	$ 0	$ 1,796
Deferred inflows of resources - OPEB	0	0	0	55,156
Total deferred inflows of resources	0	0	0	56,952
NET POSITION				
Net investment in capital assets	31,062,153	624,728	31,686,881	24,404
Restricted for:				
Judicial	390,193	0	390,193	0
Public safety	245,243	0	245,243	0
Public works	6,900	0	6,900	0
Housing and development	137	0	137	0
Capital outlay	4,696,083	0	4,696,083	0
Debt service	3,047,264	0	3,047,264	0
Prior year program income	0	0	0	3,036
Unrestricted	6,568,581	(87,355)	6,481,226	(593,626)
Total net position	$ 46,016,554	$ 537,373	$ 46,553,927	$ (566,186)

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

Exhibit A-1, continued

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GILMER COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the year ended December 31, 2018

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	$ 3,661,357	$ 543,549	$ 0	$ 0	$ (3,117,808)
Judicial	2,521,149	640,892	104,030	0	(1,776,227)
Public Safety	12,527,057	2,145,091	6,333	0	(10,375,633)
Public Works	4,778,188	781,939	358,379	740,400	(2,897,470)
Health and Welfare	322,905	0	59,023	0	(263,882)
Culture and Recreation	1,789,442	147,953	121,807	0	(1,519,682)
Housing and Development	772,784	0	0	0	(772,784)
Interest on long-term debt	1,136,729	0	0	0	(1,136,729)
Total governmental activities	27,509,611	4,259,424	649,572	740,400	(21,860,215)
Business-type activities					
White Path Golf Course	554,470	391,195	0	0	(163,275)
Total primary government	28,064,081	4,650,619	649,572	740,400	(22,023,490)
Component Unit					
Gilmer County Health Department					
Health and Welfare	996,341	662,662	414,537	0	80,858

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Change in net position				
Net (expense) revenue	$ (21,860,215)	$ (163,275)	$ (22,023,490)	$ 80,858
General revenues				
Taxes				
Property	13,043,168	0	13,043,168	0
Sales	7,748,655	0	7,748,655	0
Insurance premium	1,691,134	0	1,691,134	0
Franchise	225,519	0	225,519	0
Intangible	328,003	0	328,003	0
Occupational	71,730	0	71,730	0
Hotel/Motel	681,775	0	681,775	0
Other	73,784	0	73,784	0
Interest and investment earnings	22,001	379	22,380	0
Payments from Gilmer County	0	0	0	87,551
Other	236,037	0	236,037	1,413
Transfers	(178,517)	178,517	0	0
Total general revenues and transfers	23,943,289	178,896	24,122,185	88,964
Change in net position	2,083,074	15,621	2,098,695	169,822
Net position - beginning (original)	43,933,480	521,752	44,455,232	(142,011)
Prior period adjustments	0	0	0	(593,997)
Net position - beginning (restated)	43,933,480	521,752	44,455,232	(736,008)
Net position - ending	$ 46,016,554	$ 537,373	$ 46,553,927	$ (566,186)

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

GILMER COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	General	Multiple Grant	Debt Service SPLOST
ASSETS			
Cash and cash equivalents	$ 5,778,615	$ 200,555	$ 2,857,379
Receivables (net)			
Accounts	341,184	0	0
Intergovernmental	2,000	0	0
Taxes	1,352,519	0	212,099
Prepaids	230,968	0	0
Inventories	12,256	0	0
Due from other funds	180,498	0	48,409
Restricted assets			
Cash and cash equivalents	481,509	0	153
Total assets	$ 8,379,549	$ 200,555	$ 3,118,040
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 493,631	$ 0	$ 0
Intergovernmental	0	0	0
Accrued salaries and payroll liabilities	486,012	0	0
Unearned revenue	0	162,327	0
Due to other funds	729,844	38,228	0
Total liabilities	1,709,487	200,555	0
Deferred inflows of resources			
Unavailable revenue-property taxes	332,303	0	70,776
Fund balances			
Nonspendable:			
Prepaids	230,968	0	0
Inventories	12,256	0	0
Restricted for:			
Judicial	390,193	0	0
Public safety	91,179	0	0
Public works	0	0	0
Housing and Development	137	0	0
Capital outlay	0	0	0
Debt service	0	0	3,047,264
Unassigned	5,613,026	0	0
Total fund balances	6,337,759	0	3,047,264
Total liabilities, deferred inflows of resources, and fund balances	$ 8,379,549	$ 200,555	$ 3,118,040

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

Exhibit A-3, continued

SPLOST 2014	Nonmajor Governmental Funds	Totals
$ 3,802,325	$ 153,019	$ 12,791,893
0	42,705	383,889
0	0	2,000
412,598	69,412	2,046,628
0	198,004	428,972
0	0	12,256
425,902	286,577	941,386
0	0	481,662
$ 4,640,825	$ 749,717	$ 17,088,686
$ 73,752	$ 96,700	$ 664,083
61,493	0	61,493
0	23,908	509,920
0	0	162,327
71,812	7,826	847,710
207,057	128,434	2,245,533
0	0	403,079
0	198,004	428,972
0	0	12,256
0	0	390,193
0	154,064	245,243
0	6,900	6,900
0	0	137
4,433,768	262,315	4,696,083
0	0	3,047,264
0	0	5,613,026
4,433,768	621,283	14,440,074
$ 4,640,825	$ 749,717	$ 17,088,686

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GILMER COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
December 31, 2018

Total fund balance - total governmental funds			$ 14,440,074
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			74,987,706
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds. These are:			
Property taxes			403,079
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are:			
Bonds payable	$ (43,294,989)		
Deferred charges on bond refunding	1,243,063		
Accrued interest	(349,432)		
Compensated absences	(533,740)		
Capital leases payable	(593,812)		
Post-closure care costs	(285,395)		(43,814,305)
Net position of governmental activities			$ 46,016,554

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

GILMER COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended December 31, 2018

	General	Multiple Grant	Debt Service SPLOST
REVENUES			
Taxes	$ 16,629,000	$ 0	$ 2,068,621
Licenses and permits	209,750	0	0
Fines, fees and forfeitures	640,342	0	0
Charges for services	2,689,075	0	91,404
Intergovernmental	677,766	157,380	0
Interest	19,712	1,551	12,039
Contributions	500	0	0
Other	236,037	0	0
Total revenues	21,102,182	158,931	2,172,064
EXPENDITURES			
Current			
General Government	2,985,206	0	0
Judicial	2,513,027	0	0
Public Safety	10,380,847	0	0
Public Works	2,651,701	21,832	0
Health and Welfare	299,298	0	0
Culture and Recreation	963,622	159,798	0
Housing and Development	544,103	0	0
Capital outlay	0	0	0
Intergovernmental	0	0	0
Debt service	18,245	0	2,151,559
Total expenditures	20,356,049	181,630	2,151,559
Excess (deficiency) of revenues over (under) expenditures	746,133	(22,699)	20,505
Other financing sources (uses)			
Transfers in	479,533	7,527	0
Transfers out	(904,152)	0	0
Proceeds from capital leases	0	0	0
Total other financing sources (uses)	(424,619)	7,527	0
Net change in fund balance	321,514	(15,172)	20,505
Fund balances, January 1	6,016,245	15,172	3,026,759
Fund balances, December 31	$ 6,337,759	0	$ 3,047,264

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

Exhibit A-5, continued

SPLOST 2014	Nonmajor Governmental Funds	Totals
$ 4,427,713	$ 681,776	$ 23,807,110
0	0	209,750
0	0	640,342
0	478,853	3,259,332
667,482	0	1,502,628
24,763	781	58,846
0	0	500
0	0	236,037
5,119,958	1,161,410	29,714,545
0	0	2,985,206
0	0	2,513,027
0	932,244	11,313,091
0	1,864,259	4,537,792
0	0	299,298
0	0	1,123,420
0	477,243	1,021,346
2,868,994	0	2,868,994
338,720	0	338,720
0	0	2,169,804
3,207,714	3,273,746	29,170,698
1,912,244	(2,112,336)	543,847
1,742	2,574,350	3,063,152
(1,857,842)	(479,675)	(3,241,669)
189,356	0	189,356
(1,666,744)	2,094,675	10,839
245,500	(17,661)	554,686
4,188,268	638,944	13,885,388
$ 4,433,768	$ 621,283	$ 14,440,074

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

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, 2018

Net change in fund balances - total governmental funds			$ 554,686
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	$ 1,556,156		
Depreciation	(2,751,404)		(1,195,248)
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.			
Bond principal payments	2,725,000		
Net change in deferred bond refunding	(111,685)		
Proceeds from capital leases	(189,356)		
Capital lease payments	195,957		
Amortization of bond premiums	23,792		
Net change in interest payable	195,417		
Landfill closure/postclosure retirement	41,499		2,880,624
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include:			
Unavailable revenue-property taxes			56,657
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.			(213,645)
Change in net position of governmental activities			$ 2,083,074

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, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 15,958,767	$ 16,629,000	$ 16,629,000	$ 0
Licenses and permits	207,110	209,750	209,750	0
Fines, fees and forfeitures	650,402	640,342	640,342	0
Charges for services	2,503,215	2,689,075	2,689,075	0
Intergovernmental	666,553	677,766	677,766	0
Interest	13,130	19,712	19,712	0
Contributions	0	500	500	0
Other	208,551	236,036	236,037	1
Total revenues	20,207,728	21,102,181	21,102,182	1
EXPENDITURES				
Current				
General Government				
Board of Commissioners	602,090	633,367	635,039	(1,672)
County Administration	68,797	64,187	64,187	0
Elections/Registrar	226,385	237,568	237,568	0
Tax Commissioner	479,297	472,062	472,060	2
Tax Assessor	875,254	885,256	884,912	344
Facility Management	670,375	667,487	667,487	0
Board of Equalization	17,362	23,953	23,953	0
Judicial				
Superior Court	401,217	388,221	388,224	(3)
Clerk of Superior Court	637,186	600,137	600,137	0
District Attorney	390,690	401,710	401,710	0
Magistrate Court	269,901	250,843	250,843	0
Probate Court	381,022	359,418	359,377	41
Juvenile Court	316,035	274,811	274,809	2
Public Defender	269,582	237,927	237,927	0
Public Safety				
Sheriff	3,406,009	3,764,556	3,761,472	3,084
Detention Center	1,992,650	2,277,153	2,277,153	0
Probation	0	5,314	5,314	0
Appalachian DTF	45,000	40,703	40,703	0
Fire	3,494,313	3,798,365	3,797,273	1,092
Coroner	69,034	68,379	68,377	2
Emergency Management	111,267	106,946	106,946	0
Animal Control	249,597	323,612	323,609	3
Public Works				
Road Department	1,608,758	1,535,374	1,534,416	958
Landfill	794,492	814,115	813,960	155
Maintenance Shop	210,729	205,372	205,372	0
Airport	113,658	97,955	97,953	2
Health and Welfare				
Health Department	167,147	165,762	165,758	4
Bus Transportation	135,700	113,266	113,266	0
Senior Citizens Center	750	0	0	0
DFACS	18,000	18,000	18,000	0
Family Connection	0	2,924	2,274	650
Culture and Recreation				
Parks and Recreation	573,022	591,296	591,148	148
Libraries	304,440	318,600	320,100	(1,500)
Civic Center	32,350	52,470	52,374	96

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

Exhibit A-7, continued

GILMER COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES (continued)				
Current				
Housing and Development				
Planning and Zoning	$ 304,438	$ 316,456	$ 316,456	$ 0
Code Enforcement	116,526	85,732	85,732	0
County Agent	51,808	51,869	51,915	(46)
Joint Development Authority	90,000	90,000	90,000	0
Debt service				
General Government				
Board of Commissioners	25,000	18,245	18,245	0
Total expenditures	19,519,881	20,359,411	20,356,049	3,362
Excess (deficiency) of revenues over expenditures	687,847	742,770	746,133	(3,363)
Other financing sources (uses)				
Transfers in	165,000	165,000	479,533	314,533
Transfers (out)	(453,140)	(453,140)	(904,152)	(451,012)
Contingency	(401,366)	(454,630)	0	454,630
Sale of capital assets	1,659	0	0	0
Total other financing sources (uses)	(687,847)	(742,770)	(424,619)	318,151
Net change in fund balance	0	0	321,514	321,514
Fund balances, January 1	0	0	6,016,245	6,016,245
Fund balances, December 31	$ 0	$ 0	$ 6,337,759	$ 6,337,759

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

GILMER COUNTY, GEORGIA
MULTIPLE GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 157,380	$ 157,380	$ 157,380	$ 0
Interest	1,551	1,551	1,551	0
Other	15,172	15,172	0	(15,172)
Total revenues	174,103	174,103	158,931	(15,172)
EXPENDITURES				
Current				
Public Works	21,832	21,832	21,832	0
Culture and Recreation	159,798	159,798	159,798	0
Total expenditures	181,630	181,630	181,630	0
Excess (deficiency) of revenues over expenditures	(7,527)	(7,527)	(22,699)	(15,172)
Other financing sources (uses)				
Transfers in	7,527	7,527	7,527	0
Net change in fund balance	0	0	(15,172)	(15,172)
Fund balances, January 1	0	0	15,172	15,172
Fund balances, December 31	$ 0	$ 0	$ 0	$ 0

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

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2018

	White Path Golf Course
ASSETS	
Current assets	
Cash and cash equivalents	$ 36,630
Accounts receivable	622
Due from other funds	52,974
Total current assets	90,226
Noncurrent assets	
Capital assets	
Non-depreciable	310,632
Depreciable, net	314,096
Total noncurrent assets	624,728
Total assets	714,954
LIABILITIES	
Current liabilities	
Accounts payable	11,001
Accrued salaries and other payroll liabilities	8,388
Compensated absences	11,542
Due to other funds	146,650
Total liabilities	177,581
NET POSITION	
Investment in capital assets	624,728
Unrestricted	(87,355)
Total net position	$ 537,373

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, 2018

	White Path Golf Course
OPERATING REVENUES	
Charges for sales and services	$ 391,195
Total operating revenues	391,195
OPERATING EXPENSES	
Costs of sales and services	235,465
Personal services	286,649
Depreciation	32,356
Total operating expenses	554,470
Operating income (loss)	(163,275)
Non-operating revenues (expenses)	
Interest revenue	379
Net income (loss) before transfers	(162,896)
Transfers in	178,517
Change in net position	15,621
Net position, January 1	521,752
Net position, December 31	$ 537,373

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, 2018

	White Path Golf Course
Cash flows from operating activities:	
Receipts from customers	$ 390,907
Payments to suppliers	(234,494)
Payments to employees	(280,074)
Net cash provided (used) by operating activities	(123,661)
Cash flows from non-capital financing activities:	
Receipts from other funds	95,334
Payments to other funds	(32,323)
Net cash provided (uses) by non-capital financing activities	63,011
Cash flows from capital and related financing activities:	
Receipts from other funds	97,293
Acquisition of capital assets	(22,839)
Net cash provided (uses) by capital and related financing activities	74,454
Cash flows from investing activities:	
Interest received	379
Net increase (decrease) in cash and cash equivalents	14,183
Cash and cash equivalents, January 1	22,447
Cash and cash equivalents, December 31	$ 36,630
Reconciliation of operating income (loss) to to net cash provided (used) by operating activities:	
Operating income (loss)	$ (163,275)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	32,356
(Increase) decrease in accounts receivable	(288)
Increase (decrease) in accounts payable	971
Increase (decrease) in accrued payroll liabilities	6,575
Total adjustments	39,614
Net cash provided (used) by operating activities	$ (123,661)

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

Exhibit A-11

GILMER COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2018

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 1,278,786
LIABILITIES	
Due to others	$ 1,278,786

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.

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.

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 2018.

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, 2018, the Health Department received $87,551 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.

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

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.

Multiple Grant Fund – This fund accounts for grants received restricted for special purposes.

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.

SPLOST 2014 Fund – 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.

The County reports the following major proprietary fund:

White Path 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.

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 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.

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

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

In the summer (August to September 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.

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. Prepaids

Payments made to vendors for services that will benefit periods beyond December 31, 2018 are recorded as prepaids. 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 acquisition 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, 2018 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, continued

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 240 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, 2018 consist of the following:

Primary Government:		
Major Funds		
General Fund	$ 2,747,529	
Less: Allowance for Uncollectibles	(2,406,345)	$ 341,184
White Path Golf Course Enterprise Fund		622
Nonmajor Funds		
Emergency 911 Telephone Services Special Revenue Fund		42,705
Total primary government		$ 384,511
Component Units		
Gilmer County Department of Public Health		$ 109,982

5. Intergovernmental Receivables

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

Intergovernmental receivables at December 31, 2018 consist of the following:

Primary Government:	
Major Funds	
General Fund	$ 2,000

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 2018, based upon the assessments as of January 1, 2018, were levied on August 29, 2018, billed on September 19, 2018, and due on November 20, 2018. 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, 2018 is as follows:

Due To:	Due From:	Amount
General	Multiple Grant	$ 3,552
	SPLOST 2014	22,470
	White Path Golf Course	146,650
	Nonmajor Governmental	7,826
Debt Service SPLOST	General	48,409
SPLOST 2014	Multiple Grant	34,676
	General	391,226
White Path Golf Course	SPLOST 2014	49,342
	General	3,632
Nonmajor Governmental	General	286,577
		$ 994,360

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. The amounts due from SPLOST 2014 to the General Fund and the White Path Golf Course is reimbursement of SPLOST eligible expenditures paid in anticipation of SPLOST proceeds.

Amounts due to SPLOST 2014 from the General Fund and Multiple Grant Fund are due to deposits at year end being deposited into the incorrect fund.

8. Interfund Transfers

A summary of interfund transfers for the year ended December 31, 2018 is as follows:

Transfers in:	Transfers out:	Amount
General	Nonmajor Governmental	$ 479,533
Multiple Grant	General	7,527
SPLOST 2014	General	1,600
	Nonmajor Governmental	142
White Path Golf Course	General	81,224
	SPLOST 2014	97,293
Nonmajor Governmental	General	813,801
	SPLOST 2014	1,760,549
		$ 3,241,669

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 transfers from the SPLOST 2014 Fund to the Nonmajor Governmental Funds was to cover combined debt service payments that qualify under 2003 and 2014 SPLOST. The transfer from the SPLOST 2014 Fund to the White Path Golf Course Fund were to cover purchases of capital that qualify under the 2014 SPLOST.

9. Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2018 was as follows:

	Balance 12/31/2017	Increases	Decreases	Balance 12/31/2018
Governmental activities				
Nondepreciable assets				
Land	$ 13,494,486	$ 0	$ 0	$ 13,494,486
Construction in progress	736,305	441,693	(648,691)	529,307
Total non-depreciable assets	14,230,791	441,693	(648,691)	14,023,793
Depreciable assets				
Buildings	51,774,513	455,304	(41,489)	52,188,328
Land improvements	2,890,528	191,644	0	3,082,172
Machinery, equipment, and vehicles	19,984,799	888,478	0	20,873,277
Infrastructure	26,572,248	227,728	(2,909,153)	23,890,823
Total depreciable assets	101,222,088	1,763,154	(2,950,642)	100,034,600
Less accumulated depreciation				
Buildings and improvements	(13,790,365)	(1,213,884)	41,489	(14,962,760)
Land improvements	(1,251,965)	(72,854)	0	(1,324,819)
Machinery, equipment, and vehicles	(16,860,432)	(776,958)	0	(17,637,390)
Infrastructure	(7,367,163)	(687,708)	2,909,153	(5,145,718)
Total accumulated depreciation	(39,269,925)	(2,751,404)	2,950,642	(39,070,687)
Total depreciable assets, net	61,952,163	(988,250)	0	60,963,913
Governmental activities capital assets, net	$ 76,182,954	$ (546,557)	$ (648,691)	$ 74,987,706
Business-type activities				
Nondepreciable assets				
Land	$ 310,632	$ 0	$ 0	$ 310,632
Depreciable assets				
Buildings and improvements	352,177	0	0	352,177
Land improvements	30,486	0	0	30,486
Machinery, equipment, and vehicles	395,436	22,839	0	418,275
Infrastructure	52,418	0	0	52,418
Total depreciable assets	830,517	22,839	0	853,356
Less accumulated depreciation				
Buildings and improvements	(109,828)	(17,609)	0	(127,437)
Land improvements	(30,486)	0	0	(30,486)
Machinery, equipment, and vehicles	(346,933)	(12,126)	0	(359,059)
Infrastructure	(19,657)	(2,621)	0	(22,278)
Total accumulated depreciation	(506,904)	(32,356)	0	(539,260)
Total depreciable assets, net	323,613	(9,517)	0	314,096
Business-type activities capital assets, net	$ 634,245	$ (9,517)	$ 0	$ 624,728

9. Capital Assets (continued)

Activity for the discretely presented component units for the year ended June 30, 2018 are as follows:

	Balance 6/30/2017	Increases	Decreases	Balance 6/30/2018
Gilmer County Department of Public Health				
Depreciable assets				
Computer equipment	$ 7,188	$ 0	$ 0	$ 7,188
Office equipment	0	23,190	0	23,190
Vehicles	17,518	0	0	17,518
Leasehold Improvements	6,885	0	0	6,885
Total Depreciable Assets	31,591	23,190	0	54,781
Less accumulated depreciation				
Computer equipment	(7,188)	0	0	(7,188)
Office equipment	0	(4,638)	0	(4,638)
Vehicles	(17,518)	0	0	(17,518)
Leasehold Improvements	(344)	(689)	0	(1,033)
Total accumulated depreciation	(25,050)	(5,327)	0	(30,377)
Total Health Department depreciable assets, net	$ 6,541	$ 17,863	$ 0	$ 24,404

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 650,187
Judicial	2,608
Public Safety	893,027
Public Works	821,102
Health and Welfare	23,734
Culture and Recreation	233,910
Housing and Development	126,836
Total depreciation expense for governmental activities	$ 2,751,404
Business-type activities	
White Path Golf Course	$ 32,356
Discretely presented component unit	
Gilmer County Department of Public Health	$ 5,327

10. Short-Term Debt

The County paid off a tax anticipation note for operating purposes of $1,870,000 at a financial institution. The note carried an interest rate of 1.93% and matured on December 31, 2018. As of December 31, 2018, the principal was paid in full.

The short-term borrowings interest incurred and expensed for the period ended December 31, 2018 was $10,370.

Short-term debt activity for the year ended December 31, 2018, is as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Tax anticipation note	$ 0	$ 1,870,000	$ (1,870,000)	$ 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, 2018 total $593,812 for governmental activities. The machinery and equipment has a 10-year useful life and the vehicles have a 5-year useful life. This year $164,878 was included in depreciation expense. Total assets leased under capital leases are $1,279,284 for governmental activities, consisting of:

	Cost	Accumulated Depreciation
Machinery, equipment, and vehicles	$ 1,279,284	$ 415,238

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, 2018:

Year Ending December 31,	Governmental activities
2019	$ 222,827
2020	109,740
2021	102,501
2022	56,521
2023	44,570
2024-2025	89,140
Total minimum lease payments	625,299
Less amounts representing interest	(31,487)
Present value of minimum lease payments	$ 593,812

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

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. These were paid in full during 2018.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds Payable, continued

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, 2018, the bonds had an outstanding balance of $13,665,000.

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, 2018, the bonds had an outstanding balance of $19,915,000.

Building Authority Revenue Bonds, Series 2016 A - In 2016, the County issued refunding revenue bonds in the amount of $4,515,000. The bonds are issued as term bonds with interest rates from 3.09% maturing April 1, 2029. The purpose of the bonds was to refund the Building Authority Revenue Bonds, Series 2008 A. The bonds are secured by sales tax proceeds and then from the levy of property tax. As of December 31, 2018, the bonds had an outstanding balance of $4,475,000.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds Payable, continued

Building Authority Revenue Bonds, Series 2016 B - In 2016, the County issued refunding revenue bonds in the amount of $1,145,000. The bonds are issued as term bonds with interest rates from 1.85% maturing April 1, 2029. The purpose of the bonds was to refund the Building Authority Revenue Bonds, Series 2008 B. The bonds are secured by sales tax proceeds and then from the levy of property tax. As of December 31, 2018, the bonds had an outstanding balance of $1,145,000.

General Obligation Sales Tax Bonds, Series 2017 - On April 26, 2017, the County issued $3,750,000 in General Obligation Refunding Bonds, Series 2017, with interest rates of 4.00%. The Series 2017 bonds were issued to advance refund $3,990,000 of outstanding Series 2007 Bonds with an average interest rate of 5.00%. Net proceeds of $4,003,854 ($3,750,000 add $380,677 in premiums less $126,823 in underwriting fees and other costs of issuance) were applied to the $4,003,854 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, 2018, the bonds had an outstanding balance of $3,750,000.

The annual requirements to amortize bonds payable as of December 31, 2018 are as follows:

Year Ending December 31,	Principal	Interest	Total
2019	$ 2,870,000	$ 1,116,190	$ 3,986,190
2020	2,935,000	1,042,986	3,977,986
2021	3,005,000	967,926	3,972,926
2022	3,085,000	890,982	3,975,982
2023	3,160,000	811,926	3,971,926
2024-2028	17,170,000	2,795,314	19,965,314
2029-2032	10,725,000	633,835	11,358,835
Totals	$ 42,950,000	$ 8,259,159	$ 51,209,159

12. Long-Term Debt (continued)

Changes in Long - Term Debt

The following is a summary of changes in long-term debt of the County for the year ending December 31, 2018:

	Balance 12/31/2017	Additions	Deductions	Balance 12/31/2018	Due Within One Year
Governmental activities					
Bonds payable	$ 45,675,000	$ 0	$ 2,725,000	$ 42,950,000	$ 2,870,000
Unamortized bond premium	368,781	0	23,792	344,989	0
Capital leases payable	600,413	189,356	195,957	593,812	213,181
Landfill post-closure care costs	326,894	0	41,499	285,395	41,499
Compensated absences	320,095	533,740	320,095	533,740	533,740
Total governmental activities	$ 47,291,183	$ 723,096	$ 3,306,343	$ 44,707,936	$ 3,658,420
Business-type activities					
Compensated absences	$ 5,928	$ 11,542	$ 5,928	$ 11,542	$ 11,542

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, 2018 was $1,136,729 for the governmental activities.

Long-term liability activity for the Gilmer County Department of Public Health Component Unit for the year ended June 30, 2018 was as follows:

	Balance 6/30/2017 (As Restated)	Additions	Deductions	Balance 6/30/2018	Due Within One Year
Health Department					
Net pension liabillity	$ 804,455	$ 0	$ 85,599	$ 718,856	$ 0
Net OPEB liabililty	672,400	0	88,328	584,072	0
Compensated absences	37,335	15,451	18,668	34,118	17,059
	$ 1,514,190	$ 15,451	$ 192,595	$ 1,337,046	$ 17,059

13. 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, 2018 is $285,395, which is recognized in the government-wide financial statements. The landfill was officially closed April 8, 1994.

14. 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, 2018:

	General	Debt Service SPLOST	SPLOST 2014	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:					
Judicial					
Drug Treatment	$ 67,334	$ 0	$ 0	$ 0	$ 67,334
Crime victims assistance	16,296	0	0	0	16,296
Juvenile court	94,594	0	0	0	94,594
Clerk of court equipment	211,969	0	0	0	211,969
Public Safety					
E911 facilities and equipment	0	0	0	154,064	154,064
Detention center	91,179	0	0	0	91,179
Public Works					
Capital projects	0	0	0	6,900	6,900
Housing and Development					
Economic delopment	137	0	0	0	137
Capital projects	0	0	4,433,768	262,315	4,696,083
Debt service	0	3,047,264	0	0	3,047,264
	$ 481,509	$ 3,047,264	$ 4,433,768	$ 423,279	$ 8,385,820

15. Retirement Plans

Defined Contribution 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, 2018, the County contributed $39,797 and plan member voluntary contributions were $188,728.

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. These plans are immaterial to the financial statements.

16. Hotel/Motel Lodging Tax

The County levies a 5% lodging tax. A summary of the transactions for the fiscal year ending December 31, 2018 follows:

Lodging Tax Receipts	$ 681,776	
Disbursements for trade and tourism	$ 477,243	70% of tax receipts

17. 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, 2018, the County paid $28,385 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 Appalachian Drug Task Force (ADTF). 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, 2018, the County paid $40,703 to the ADTF. A copy of the ADTF 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, 2018, the County paid $90,000 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.

18. 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.

18. 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, 2018. No provisions have been made in the financial statements for the twelve months ended December 31, 2018 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, 2018, there was no need for such an assessment. Therefore, no liability for this has been included in these financial statements.

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.

18. Risk Management (continued)

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.

19. Contingencies

The County is involved in 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.

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COMBINING STATEMENTS

Nonmajor Governmental Funds

GILMER COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2018

	Special Revenue		
	Emergency 911 Telephone Services	Hotel/ Motel Tax	FEMA Grant
ASSETS			
Cash and cash equivalents	$ 139,519	$ 0	$ 13,091
Receivables			
Accounts	42,705	0	0
Taxes	0	69,412	0
Prepaids	0	0	0
Due from other funds	35	24,636	0
Total assets	$ 182,259	$ 94,048	$ 13,091
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 2,652	$ 94,048	$ 0
Accrued salaries	23,908	0	0
Due to other funds	1,635	0	6,191
Total liabilities	28,195	94,048	6,191
Fund balances			
Nonspendable:			
Prepaids	0	0	0
Restricted for:			
Public safety	154,064	0	0
Public works	0	0	6,900
Capital outlay	0	0	0
Total fund balances	154,064	0	6,900
Total liabilities and fund balances	$ 182,259	$ 94,048	$ 13,091

Capital Projects		Total Nonmajor Governmental Funds
SPLOST 2003	Capital Projects	
$ 409	$ 0	$ 153,019
0	0	42,705
0	0	69,412
0	198,004	198,004
0	261,906	286,577
$ 409	$ 459,910	$ 749,717
$ 0	$ 0	$ 96,700
0	0	23,908
0	0	7,826
0	0	128,434
0	198,004	198,004
0	0	154,064
0	0	6,900
409	261,906	262,315
409	459,910	621,283
$ 409	$ 459,910	$ 749,717

GILMER COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended December 31, 2018

	Special Revenue		
REVENUES	**Emergency 911 Telephone Services**	**Hotel/ Motel Tax**	**FEMA Grant**
Taxes	$ 0	$ 681,776	$ 0
Charges for services	478,853	0	0
Interest	626	0	111
Total revenues	479,479	681,776	111
EXPENDITURES			
Current			
Public Safety	932,244	0	0
Public Works	0	0	8,875
Housing and Development	0	477,243	0
Total expenditures	932,244	477,243	8,875
Excess (deficiency) of revenues over (under) expenditures	(452,765)	204,533	(8,764)
Other financing sources (uses)			
Transfers in	813,801	0	0
Transfers out	(275,000)	(204,533)	0
Total other financing sources (uses)	538,801	(204,533)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	86,036	0	(8,764)
Fund balances, January 1	68,028	0	15,664
Fund balances, December 31	$ 154,064	$ 0	$ 6,900

Capital Projects		Total Nonmajor Governmental Funds
SPLOST 2003	Capital Projects	
$ 0	$ 0	$ 681,776
0	0	478,853
43	1	781
43	1	1,161,410
0	0	932,244
1,760,863	94,521	1,864,259
0	0	477,243
1,760,863	94,521	3,273,746
(1,760,820)	(94,520)	(2,112,336)
1,760,549	0	2,574,350
0	(142)	(479,675)
1,760,549	(142)	2,094,675
(271)	(94,662)	(17,661)
680	554,572	638,944
$ 409	$ 459,910	$ 621,283

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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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 5,778,615	$ 5,775,437
Receivables (net)		
Accounts	341,184	243,771
Intergovernmental	2,000	9,827
Taxes	1,352,519	1,227,939
Due from other funds	180,498	168,972
Prepaids	230,968	224,791
Inventories	12,256	8,014
Restricted assets		
Cash	481,509	415,306
Total assets	$ 8,379,549	$ 8,074,057
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 493,631	$ 579,047
Intergovernmental	0	336,309
Accrued salaries and payroll liabilities	486,012	513,676
Due to other funds	729,844	342,950
Total liabilities	1,709,487	1,771,982
Deferred inflows of resources		
Unavailable revenue - property taxes	332,303	285,830
Fund balances		
Nonspendable:		
Prepaids	230,968	224,791
Inventories	12,256	8,014
Restricted for:		
Judicial	390,193	355,637
Public Safety	91,179	59,669
Housing and Development	137	0
Unassigned	5,613,026	5,368,134
Total fund balances	6,337,759	6,016,245
Total liabilities, deferred inflows of resources and fund balances	$ 8,379,549	$ 8,074,057

GILMER COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2018 and 2017

REVENUES	**2018**	**2017**
Taxes	$ 16,629,000	$ 15,219,166
Licenses and permits	209,750	187,500
Fines, fees and forfeitures	640,342	662,659
Charges for services	2,689,075	2,576,907
Intergovernmental	677,766	492,508
Interest	19,712	7,067
Contributions	500	8,700
Other	236,037	229,854
Total revenues	21,102,182	19,384,361
EXPENDITURES		
Current		
General Government	2,985,206	2,823,286
Judicial	2,513,027	2,476,817
Public Safety	10,380,847	9,955,255
Public Works	2,651,701	2,390,123
Health and Welfare	299,298	329,045
Culture and Recreation	963,622	900,215
Housing and Development	544,103	549,171
Total Current	20,337,804	19,423,912
Debt Service		
General Government	18,245	19,980
Total expenditures	20,356,049	19,443,892
Excess of revenues over expenditures	746,133	(59,531)
Other financing sources (uses)		
Transfers in	479,533	1,389,559
Transfers out	(904,152)	(740,378)
Sale of capital assets	0	14,353
Total other financing sources (uses)	(424,619)	663,534
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	321,514	604,003
Fund balances, January 1	6,016,245	5,412,242
Fund balances, December 31	$ 6,337,759	$ 6,016,245

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Real and personal tax	$ 9,181,106	$ 9,181,106	$ 0	$ 8,452,192
Motor vehicle tax	1,498,387	1,498,387	0	1,274,003
Mobile home tax	25,765	25,765	0	37,427
Timber tax	6,230	6,230	0	3,307
Cost, penalties and interest	206,400	206,400	0	181,404
Total general property taxes	10,917,888	10,917,888	0	9,948,333
Local option sales tax	3,320,942	3,320,942	0	3,061,941
Insurance premium tax	1,684,315	1,684,315	0	1,562,055
Franchise tax	225,519	225,519	0	216,707
Intangibles tax	232,472	232,472	0	213,296
Real estate transfer tax	95,531	95,531	0	92,499
Beer and wine tax	64,000	64,000	0	60,846
Railroad equipment tax	6,819	6,819	0	5,268
Occupational tax	71,730	71,730	0	53,394
Other tax	9,784	9,784	0	4,827
Total taxes	16,629,000	16,629,000	0	15,219,166
Licenses and permits				
Building permits	199,640	199,640	0	175,500
Alcohol licenses	10,110	10,110	0	12,000
Total licenses and permits	209,750	209,750	0	187,500
Fines, fees and forfeitures	640,342	640,342	0	662,659
Charges for Services				
Emergency services	1,348,918	1,348,918	0	1,279,722
Sheriff services	135,205	135,205	0	132,759
Recreation fees	147,953	147,953	0	149,203
Landfill fees	528,815	528,815	0	507,574
Airport fees	53,485	53,485	0	50,597
Collection commissions	440,339	440,339	0	419,460
Other charges for services	34,360	34,360	0	37,592
Total charges for services	2,689,075	2,689,075	0	2,576,907

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Intergovernmental	$ 677,766	$ 677,766	$ 0	$ 492,508
Interest	19,712	19,712	0	7,067
Contributions	500	500	0	8,700
Other				
Rental income	41,607	41,607	0	45,612
Miscellaneous	194,429	194,430	1	184,242
Total other	236,036	236,037	1	229,854
Total revenues	$ 21,102,181	$ 21,102,182	$ 1	$ 19,384,361

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Board of Commissioners				
Personal services	$ 444,566	$ 444,566	$ 0	$ 406,024
Contract services	161,695	163,367	(1,672)	285,905
Materials and supplies	27,106	27,106	0	23,958
Payment to others	0	0	0	8,000
Total Board of Commissioners	633,367	635,039	(1,672)	723,887
County Administration				
Personal services	23,636	23,636	0	23,163
Contract services	39,551	39,551	0	27,480
Payment to others	1,000	1,000	0	0
Total County Administration	64,187	64,187	0	50,643
Elections/Registrar				
Personal services	172,160	172,160	0	74,506
Contract services	58,811	58,811	0	20,864
Materials and supplies	6,597	6,597	0	5,623
Total Elections/Registrar	237,568	237,568	0	100,993
Tax Commissioner				
Personal services	361,478	361,476	2	368,524
Contract services	98,524	98,524	0	92,402
Materials and supplies	12,060	12,060	0	16,454
Total Tax Commissioner	472,062	472,060	2	477,380
Tax Assessor				
Personal services	734,481	734,137	344	662,110
Contract services	130,329	130,329	0	120,066
Materials and supplies	17,946	17,946	0	15,325
Payments to others	2,500	2,500	0	0
Total Tax Assessor	885,256	884,912	344	797,501
Facility Management				
Personal services	201,160	201,160	0	180,733
Contract services	251,030	251,030	0	265,649
Materials and supplies	215,297	215,297	0	208,667
Total Facility Management	667,487	667,487	0	655,049
Board of Equalization				
Personal services	16,335	16,335	0	10,223
Contract services	7,618	7,618	0	7,402
Materials and supplies	0	0	0	208
Total Board of Equalization	23,953	23,953	0	17,833
Total General Government	2,983,880	2,985,206	(1,326)	2,823,286

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Judicial				
Superior Court				
Personal services	$ 102,127	$ 102,130	$ (3)	$ 92,490
Contract services	246,529	246,529	0	259,370
Materials and supplies	39,565	39,565	0	25,575
Total Superior Court	388,221	388,224	(3)	377,435
Clerk of Superior Court				
Personal services	492,184	492,184	0	493,022
Contract services	51,540	51,540	0	49,637
Materials and supplies	56,413	56,413	0	33,445
Total Clerk of Superior Court	600,137	600,137	0	576,104
District Attorney				
Personal services	352,702	352,702	0	372,727
Contract services	5,368	5,368	0	4,910
Materials and supplies	43,640	43,640	0	43,550
Total District Attorney	401,710	401,710	0	421,187
Magistrate Court				
Personal services	229,141	229,141	0	234,616
Contract services	13,080	13,080	0	15,941
Materials and supplies	8,622	8,622	0	10,273
Total Magistrate Court	250,843	250,843	0	260,830
Probate Court				
Personal services	286,939	286,939	0	271,114
Contract services	44,474	44,474	0	33,010
Materials and supplies	28,005	27,964	41	23,548
Total Probate Court	359,418	359,377	41	327,672
Juvenile Court				
Personal services	207,134	207,134	0	198,203
Contract services	49,594	49,592	2	49,565
Materials and supplies	18,083	18,083	0	16,788
Total Juvenile Court	274,811	274,809	2	264,556
Public Defender				
Contract services	41,291	41,291	0	37,534
Materials and supplies	6,652	6,652	0	6,974
Payments to other agencies	189,984	189,984	0	204,525
Total Public Defender	237,927	237,927	0	249,033
Total Judicial	2,513,067	2,513,027	40	2,476,817

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Safety				
Sheriff				
Personal services	$ 2,994,720	$ 2,994,720	$ 0	$ 2,966,310
Contract services	432,831	431,159	1,672	375,915
Materials and supplies	337,005	335,593	1,412	290,829
Total Sheriff	3,764,556	3,761,472	3,084	3,633,054
Detention Center				
Personal services	1,488,150	1,488,150	0	1,401,083
Contract services	449,758	449,758	0	459,509
Materials and supplies	339,245	339,245	0	305,856
Capital outlay	0	0	0	71,310
Payments to others	0	0	0	13,000
Total Detention Center	2,277,153	2,277,153	0	2,250,758
Probation				
Personal services	4,530	4,530	0	0
Contract services	665	665	0	0
Materials and supplies	119	119	0	0
Total Probation	5,314	5,314	0	0
Appalachian DTF				
Contract services	40,703	40,703	0	37,217
Fire				
Personal services	3,014,792	3,014,792	0	2,858,177
Contract services	419,403	419,116	287	440,750
Materials and supplies	344,027	343,222	805	288,706
Payments to others	20,143	20,143	0	19,851
Total Fire	3,798,365	3,797,273	1,092	3,607,484
Coroner				
Personal services	51,372	51,370	2	49,158
Contract services	14,546	14,546	0	15,940
Materials and supplies	2,461	2,461	0	2,373
Total Coroner	68,379	68,377	2	67,471
Emergency Management				
Personal services	77,406	77,406	0	81,190
Contract services	17,970	17,970	0	21,417
Materials and supplies	11,570	11,570	0	28,927
Total Emergency Management	106,946	106,946	0	131,534
Animal Control				
Personal services	183,525	183,522	3	165,581
Contract services	13,343	13,343	0	10,227
Materials and supplies	126,744	126,744	0	51,929
Total Animal Control	323,612	323,609	3	227,737
Total Public Safety	10,385,028	10,380,847	4,181	9,955,255

Exhibit C-4, continued

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Works				
Road Department				
Personal services	$ 979,896	$ 979,896	$ 0	$ 837,656
Contract services	175,122	175,122	0	206,662
Materials and supplies	379,047	378,089	958	298,929
Payments to others	1,309	1,309	0	0
Total Road Department	1,535,374	1,534,416	958	1,343,247
Landfill				
Personal services	320,265	320,265	0	301,917
Contract services	493,850	493,695	155	462,399
Total Landfill	814,115	813,960	155	764,316
Maintenance Shop				
Personal services	154,167	154,167	0	145,564
Contract services	2,920	2,920	0	9,148
Materials and supplies	48,285	48,285	0	36,169
Total Maintenance Shop	205,372	205,372	0	190,881
Airport				
Personal services	56,716	56,714	2	38,447
Contract services	19,060	19,060	0	26,694
Materials and supplies	22,179	22,179	0	26,538
Total Airport	97,955	97,953	2	91,679
Total Public Works	2,652,816	2,651,701	1,115	2,390,123
Health and Welfare				
Health Department				
Contract services	6,877	6,873	4	7,588
Materials and supplies	11,793	11,793	0	11,625
Payments to others	147,092	147,092	0	147,092
Total Health Department	165,762	165,758	4	166,305
Bus Transportation				
Contract services	113,266	113,266	0	139,384
Senior Citizens Center				
Materials and supplies	0	0	0	29
DFACS				
Payments to others	18,000	18,000	0	18,000
Family Connection				
Personal services	2,348	1,698	650	5,257
Contract services	576	576	0	70
Total Family Connection	2,924	2,274	650	5,327
Total Health and Welfare	299,952	299,298	654	329,045

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(with comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Culture and Recreation				
Parks and Recreation				
Personal services	$ 331,209	$ 331,209	$ 0	$ 332,284
Contract services	92,114	91,966	148	90,192
Materials and supplies	167,973	167,973	0	150,544
Total Parks and Recreation	591,296	591,148	148	573,020
Libraries				
Contract services	17,193	18,693	(1,500)	2,929
Materials and supplies	37,407	37,407	0	35,308
Payments to others	264,000	264,000	0	255,947
Total Libraries	318,600	320,100	(1,500)	294,184
Civic Center				
Contract services	2,173	2,077	96	2,095
Materials and supplies	50,297	50,297	0	30,916
Total Civic Center	52,470	52,374	96	33,011
Total Culture and Recreation	962,366	963,622	(1,256)	900,215
Housing and Development				
Planning and Zoning				
Personal services	261,099	261,099	0	264,991
Contract services	41,934	41,934	0	38,802
Materials and supplies	13,423	13,423	0	12,136
Total Planning and Zoning	316,456	316,456	0	315,929
Code Enforcement				
Personal services	76,720	76,720	0	87,402
Contract services	6,808	6,808	0	11,516
Materials and supplies	2,204	2,204	0	3,008
Total Code Enforcement	85,732	85,732	0	101,926
County Agent				
Personal services	42,965	43,011	(46)	32,594
Contract services	5,647	5,647	0	5,377
Materials and supplies	3,257	3,257	0	3,345
Total County Agent	51,869	51,915	(46)	41,316
Joint Development Authority				
Payments to others	90,000	90,000	0	90,000
Total Housing and Development	544,057	544,103	(46)	549,171
Total Current	20,341,166	20,337,804	3,362	19,423,912
Debt Service				
General Government				
Board of Commissioners	18,245	18,245	0	19,980
Total Expenditures	$ 20,359,411	$ 20,356,049	$ 3,362	$ 19,443,892

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 Telephone Services 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 Gilmer County.

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

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

GILMER COUNTY, GEORGIA
EMERGENCY 911 TELEPHONE SERVICES
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 139,519	$ 53,580
Accounts receivable	42,705	40,756
Due from other funds	35	35
Total assets	$ 182,259	$ 94,371
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 2,652	$ 2,306
Accrued salaries and payroll liabilities	23,908	22,541
Due to other funds	1,635	1,496
Total liabilities	28,195	26,343
Fund balances		
Restricted for Public Safety	154,064	68,028
Total liabilities and fund balances	$ 182,259	$ 94,371

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, 2018
(With comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 478,811	$ 478,853	$ 42	$ 449,688
Interest	626	626	0	78
Total revenues	479,437	479,479	42	449,766
EXPENDITURES				
Current				
Public Safety				
Personal services	805,254	805,254	0	729,787
Contract services	115,004	115,004	0	124,040
Supplies	11,986	11,986	0	11,270
Total expenditures	932,244	932,244	0	865,097
Excess (deficiency) of revenues over (under) expenditures	(452,807)	(452,765)	42	(415,331)
Other financing sources (uses)				
Transfers in	452,807	813,801	360,994	708,087
Transfers out	0	(275,000)	(275,000)	(300,000)
Total other financing sources (uses)	452,807	538,801	85,994	408,087
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	86,036	86,036	(7,244)
Fund balance, January 1	0	68,028	68,028	75,272
Fund balances, December 31	$ 0	$ 154,064	$ 154,064	$ 68,028

GILMER COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

ASSETS	**2018**	**2017**
Taxes receivable	$ 69,412	$ 54,502
Due from other funds	24,636	32,600
Total assets	$ 94,048	$ 87,102
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 94,048	$ 87,102

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, 2018
(With comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	$ 681,775	$ 681,776	$ 1	$ 604,038
EXPENDITURES				
Current				
Housing and Development				
Payments to others	477,243	477,243	0	422,751
Total expenditures	477,243	477,243	0	422,751
Excess (deficiency) of revenues over (under) expenditures	204,532	204,533	1	181,287
Other financing sources (uses)				
Transfers out	(204,532)	(204,533)	(1)	(181,287)
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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 200,555	$ 306,336
Intergovernmental receivable	0	1,296
Total assets	$ 200,555	$ 307,632
LIABILITIES AND FUND BALANCES		
Liabilities		
Unearned revenue	$ 162,327	$ 283,634
Due to other funds	38,228	8,826
Total liabilities	200,555	292,460
Fund balances		
Restricted for Public Works	0	15,172
Total liabilities and fund balances	$ 200,555	$ 307,632

GILMER COUNTY, GEORGIA
MULTIPLE GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(With comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 157,380	$ 157,380	$ 0	$ 174,783
Interest	1,551	1,551	0	380
Other	15,172	0	(15,172)	0
Total revenues	174,103	158,931	(15,172)	175,163
EXPENDITURES				
Current				
Public Works				
Personal services	0	0	0	31,296
Contract Services	0	0	0	13,238
Capital outlay	21,832	21,832	0	47,938
Culture and Recreation				
Contract services	72,378	72,378	0	19
Capital outlay	87,420	87,420	0	0
Total expenditures	181,630	181,630	0	92,491
Excess (deficiency) of revenues over (under) expenditures	(7,527)	(22,699)	(15,172)	82,672
Other financing sources (uses)				
Transfers in	7,527	7,527	0	0
Transfers out	0	0	0	(483,272)
Total other financing sources (uses)	7,527	7,527	0	(483,272)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(15,172)	(15,172)	(400,600)
Fund balance, January 1	0	15,172	15,172	415,772
Fund balances, December 31	$ 0	$ 0	$ 0	$ 15,172

GILMER COUNTY, GEORGIA
FEMA GRANT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 13,091	$ 23,085
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 0	$ 1,230
Due to other funds	6,191	6,191
Total liabilities	6,191	7,421
Fund balances		
Restricted for public works	6,900	15,664
Total liabilities and fund balances	$ 13,091	$ 23,085

GILMER COUNTY, GEORGIA
FEMA GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2018
(With comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 0	$ 0	$ 0	$ 120,780
Interest	111	111	0	216
Other	8,764	0	(8,764)	0
Total revenues	8,875	111	(8,764)	120,996
EXPENDITURES				
Current				
Public Works				
Contract Services	8,875	8,875	0	30,413
Supplies	0	0	0	180
Total expenditures	8,875	8,875	0	30,593
Excess (deficiency) of revenues over (under) expenditures	0	(8,764)	(8,764)	90,403
Other financing sources (uses)				
Transfers out	0	0	0	(425,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(8,764)	(8,764)	(334,597)
Fund balance, January 1	0	15,664	15,664	350,261
Fund balances, December 31	$ 0	$ 6,900	$ 6,900	$ 15,664

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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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 2,857,379	$ 2,848,453
Taxes receivable, net	212,099	190,430
Due from other funds	48,409	48,409
Restricted assets		
Cash and cash equivalents	153	59
Total assets	$ 3,118,040	$ 3,087,351
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Deferred Inflows of Resources		
Unavailable revenue - property taxes	$ 70,776	$ 60,592
Fund balances		
Restricted for debt service	3,047,264	3,026,759
Total liabilities, deferred inflows of resources, and fund balances	$ 3,118,040	$ 3,087,351

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, 2018
(With comparative actual amounts for the year ended December 31, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 2,068,622	$ 2,068,621	$ (1)	$ 1,865,825
Charges for services	91,404	91,404	0	122,712
Interest	12,039	12,039	0	226,813
Total revenues	2,172,065	2,172,064	(1)	2,215,350
EXPENDITURES				
Debt service	2,151,559	2,151,559	0	2,044,444
Excess (deficiency) of revenues over (under) expenditures	20,506	20,505	(1)	170,906
Other financing sources (uses)				
Transfers in	0	0	0	252,819
Payment to refunded bond escrow agent	0	0	0	(4,003,854)
Contingency	(20,506)	0	20,506	0
Proceeds of refunding bonds	0	0	0	4,130,677
Total other financing sources (uses)	(20,506)	0	20,506	379,642
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	20,505	20,505	550,548
Fund balances, January 1	0	3,026,759	3,026,759	2,476,211
Fund balances, December 31	$ 0	$ 3,047,264	$ 3,047,264	$ 3,026,759

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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 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.

Special Purpose Local Option Sales Tax 2014 Fund – This fund is used to account for long-term projects financed by the 2014 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 2003
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 409	$ 680
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for capital outlay	$ 409	$ 680

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, 2018 and 2017

REVENUES	**2018**	**2017**
Interest	$ 43	$ 21
EXPENDITURES		
Debt service		
Public Works		
Road Department	1,760,863	1,464,567
Excess (deficiency) of revenues over (under) expenditures	(1,760,820)	(1,464,546)
Other financing sources (uses)		
Transfers in	1,760,549	1,372,144
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(271)	(92,402)
Fund balances, January 1	680	93,082
Fund balances, December 31	$ 409	$ 680

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GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2014
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 3,802,325	$ 3,940,614
Due from other funds	425,902	0
Taxes receivable, net	412,598	382,284
Total assets	$ 4,640,825	$ 4,322,898
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 73,752	$ 64,815
Intergovernmental payable	61,493	29,245
Due to other funds	71,812	40,570
Total liabilities	207,057	134,630
Fund balances		
Restricted for capital outlay	4,433,768	4,188,268
Total liabilities and fund balances	$ 4,640,825	$ 4,322,898

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2014
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2018 and 2017

	2018	2017
REVENUES		
Taxes	$ 4,427,713	$ 4,082,839
Intergovernmental	667,482	629,235
Interest	24,763	3,364
Total revenues	5,119,958	4,715,438
EXPENDITURES		
Capital outlay		
General Government		
Board of Commissioners	1,115	0
Facilities Management	93,963	6,830
Judicial		
District Attorney	0	12,000
Public Safety		
Sheriff	125,686	37,296
Fire	887,029	515,301
EMA	11,185	0
E911	0	160,423
Animal Control	0	30,847
Public Works		
Administration	5,849	204,172
Road Department	1,305,218	379,757
Culture and Recreation		
Parks and Recreation	179,272	112,103
Housing and Development		
County Agent	2,537	0
Airport	22,596	0
Debt Service		
General Government		
Board of Commissioners	0	11,192
Tax Assessor	6,785	33,120
Facilities Management	1,063	0
Public Safety		
Sheriff	64,629	126,828
Fire	152,025	118,489
Public Works		
Administration	1,063	0
Road Department	1,063	0
Housing and Development		
Code Enforcement	7,916	7,916
Intergovernmental	338,720	312,337
Total expenditures	3,207,714	2,068,611

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2014
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2018 and 2017

	2018	2017
Excess (deficiency) of revenues over (under) expenditures	$ 1,912,244	$ 2,646,827
Other financing sources (uses)		
Transfers in	1,742	0
Transfers out	(1,857,842)	(1,717,746)
Proceeds from capital leases	189,356	0
Total other financing sources (uses)	(1,666,744)	(1,717,746)
Excess (deficiency) of revenues and other financing source over (under) expenditures and other financing uses	245,500	929,081
Fund balances, January 1	4,188,268	3,259,187
Fund balances, December 31	$ 4,433,768	$ 4,188,268

GILMER COUNTY, GEORGIA
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
December 31, 2018 and 2017

ASSETS	**2018**	**2017**
Prepaids	$ 198,004	$ 292,525
Due from other funds	261,906	261,906
Restricted assets		
Cash and cash equivalents	0	141
Total assets	$ 459,910	$ 554,572
LIABILITIES AND FUND BALANCES		
Fund balances		
Nonspendable:		
Prepaids	$ 198,004	$ 292,525
Restricted for capital outlay	261,906	262,047
Total fund balances	$ 459,910	$ 554,572

GILMER COUNTY, GEORGIA
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2018 and 2017

	2018	2017
REVENUES		
Interest	$ 1	$ 0
EXPENDITURES		
Capital outlay		
Public Safety		
Detention	0	1,008,141
Public Works		
Road Department	94,521	0
Total expenditures	94,521	1,008,141
Excess (deficiency) of revenues over (under) expenditures	(94,520)	(1,008,141)
Other financing sources (uses)		
Transfers in (out)		
2014 SPLOST	(142)	0
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	(94,662)	(1,008,141)
Fund balances, January 1	554,572	1,562,713
Fund balances, December 31	$ 459,910	$ 554,572

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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, 2018 and 2017

	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	$ 36,630	$ 22,447
Accounts receivable	622	334
Due from other funds	52,974	20,651
Total current assets	90,226	43,432
Capital assets		
Land	310,632	310,632
Land improvements	30,486	30,486
Infrastructure	52,418	52,418
Buildings	352,177	352,177
Machinery and equipment	418,275	395,436
Accumulated depreciation	(539,260)	(506,904)
Total capital assets (net of accumulated depreciation)	624,728	634,245
Total assets	714,954	677,677
LIABILITIES		
Current liabilities		
Accounts payable	11,001	10,030
Accrued salaries and other payroll liabilities	8,388	7,427
Compensated absences	11,542	5,928
Due to other funds	146,650	132,540
Total liabilities	177,581	155,925
NET POSITION		
Investment in capital assets	624,728	634,245
Unrestricted	(87,355)	(112,493)
Total net position	$ 537,373	$ 521,752

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, 2018 and 2017

OPERATING REVENUES	**2018**	**2017**
Charges for sales and services	$ 391,195	$ 401,552
Total operating revenues	391,195	401,552
OPERATING EXPENSES		
Costs of sales and services	235,465	258,470
Personal services	286,649	260,509
Depreciation	32,356	26,414
Total operating expenses	554,470	545,393
Operating income (loss)	(163,275)	(143,841)
Non-operating revenues (expenses)		
Interest revenue	379	68
Net income (loss) before capital contributions and transfers	(162,896)	(143,773)
Capital contributions		
Contributions of capital assets from Governmental Activities	0	534,145
Net income (loss) before transfers	(162,896)	390,372
Transfers in	178,517	125,074
Change in net position	15,621	515,446
Net position, January 1	521,752	6,306
Net position, December 31	$ 537,373	$ 521,752

GILMER COUNTY, GEORGIA
WHITE PATH GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the years ended December 31, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	$ 390,907	$ 401,979
Payments to suppliers	(234,494)	(264,167)
Payments to employees	(280,074)	(257,277)
Net cash provided (used) by operating activities	(123,661)	(119,465)
Cash flows from non-capital financing activities:		
Receipts from other funds	95,334	38,698
Payments to other funds	(32,323)	(17,020)
Net cash provided by non-capital financing activities	63,011	21,678
Cash flows from capital and related financing activities:		
Receipts from other funds	97,293	92,783
Acquisition of capital assets	(22,839)	(32,775)
Net cash provided by capital and related financing activities	74,454	60,008
Cash flows from investing activities:		
Interest received	379	68
Net increase (decrease) in cash and cash equivalents	14,183	(37,711)
Cash and cash equivalents, January 1	22,447	60,158
Cash and cash equivalents, December 31	$ 36,630	$ 22,447
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (163,275)	$ (143,841)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	32,356	26,414
(Increase) decrease in accounts receivable	(288)	427
Increase (decrease) in accounts payable	971	(5,697)
Increase (decrease) in accrued payroll liabilities	6,575	3,232
Total adjustments	39,614	24,376
Net cash provided (used) by operating activities	$ (123,661)	$ (119,465)

Noncash capital and related financing activities:

Contributions of capital assets from other funds total $534,145 (cost of $990,188 and accumulated depreciation of $456,043) for the year ended December 31, 2017.

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, 2018

	Tax Commissioner	Magistrate Court
ASSETS		
Cash and cash equivalents	$ 790,262	$ 9,267
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 790,262	$ 9,267

Probate Court	Clerk of Superior Court	Inmate Escrow Fund	Totals
$ 40,172	$ 372,830	$ 66,255	$ 1,278,786
$ 40,172	$ 372,830	$ 66,255	$ 1,278,786

GILMER COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the year ended December 31, 2018

	Balance January 1	Additions	Deletions	Balance December 31
TAX COMMISSIONER				
ASSETS				
Cash and cash equivalents	$ 780,706	$ 36,762,120	$ 36,752,564	$ 790,262
LIABILITIES				
Due to others	$ 780,706	$ 36,762,120	$ 36,752,564	$ 790,262
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	$ 9,309	$ 159,697	$ 159,739	$ 9,267
LIABILITIES				
Due to others	$ 9,309	$ 159,697	$ 159,739	$ 9,267
PROBATE COURT				
ASSETS				
Cash and cash equivalents	$ 42,017	$ 390,515	$ 392,360	$ 40,172
LIABILITIES				
Due to others	$ 42,017	$ 390,515	$ 392,360	$ 40,172
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and cash equivalents	$ 429,871	$ 1,117,448	$ 1,174,489	$ 372,830
LIABILITIES				
Due to others	$ 429,871	$ 1,117,448	$ 1,174,489	$ 372,830
INMATE ESCROW FUND				
ASSETS				
Cash and cash equivalents	$ 20,578	$ 565,572	$ 519,895	$ 66,255
LIABILITIES				
Due to others	$ 20,578	$ 565,572	$ 519,895	$ 66,255
TOTALS				
ALL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 1,282,481	$ 38,995,352	$ 38,999,047	$ 1,278,786
LIABILITIES				
Due to others	$ 1,282,481	$ 38,995,352	$ 38,999,047	$ 1,278,786

OTHER REPORTING SECTION

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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 discretely presented component unit, each major fund and the aggregate remaining fund information of Gilmer County, Georgia, as of and for the year ended December 31, 2018, 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 May 15, 2019. 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 include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit 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, 2018, 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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. As discussed below, we did identify the following deficiencies in internal control that we consider to be significant deficiencies:

Comment 2018-001

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.

Cause: County staff does not have proper training in generally accepted accounting principles to implement them or prepare financial statements.

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 2018-002

Condition: While performing audit procedures at the Planning and Zoning, 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.

Cause: Planning and Zoning staff is not delivering deposits to the bank at a minimum weekly.

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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described below.

Comment 2018-003

Condition: The County currently maintains separate bank accounts for its funds. During 2018, 2014 SPLOST deposits were incorrectly deposited into the General Fund and Multiple Grant Special Revenue Fund. As a result, there are amounts due to the 2014 SPLOST Fund from the General Fund and Multiple Grants Fund.

Criteria: OCGA Code Section 48-8-121 requires that SPLOST proceeds shall not be comingled with other funds of the County.

Effect: Failure to comply with OCGA Code Section 48-8-121 places the County in violation of state law.

Cause: Deposits were deposited into the incorrect account.

Recommendation: The amount due from the General Fund and Multiple Grant Special Revenue Fund should be deposited into the 2014 SPLOST Fund. Management should review its general ledger accounts and deposits on a regular basis to ensure that restricted funds are deposited into the correct account.

Management Response: Management concurs with this finding. The County has recorded an amount Due to 2014 SPLOST in both funds and went ahead and transferred money to correct the amounts deposited into the wrong accounts. In the future, the County will review its general ledger accounts and deposits on a regular basis to ensure that restricted funds are deposited into the correct accounts. 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
May 15, 2019

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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, 2018

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2003 Referendum					
New Courthouse and Library	$ 8,000,000	$ 21,974,958	$ 33,470,861	$ 0	$ 33,470,861
Roads and Bridges	6,600,000	6,600,000	5,255,586	314	5,255,900
Landfill/Solid Waste	5,400,000	5,400,000	192,852	0	192,852
Total	$ 20,000,000	$ 33,974,958	$ 38,919,299	$ 314	$ 38,919,613
Current year expenditures for 2003 Referendum				$ 314	
Expenditures financed through other revenues and transfers from other funds				1,760,549	
Total expenditures of the SPLOST 2003 Capital Projects Fund				$ 1,760,863	
The prior year expenditures have been restated.					
2009 Referendum					
Gilmer County Debt Service - Series 2005 A & B Bonds and Series 2007 Bonds	$ 24,315,180	$ 24,315,180	$ 24,052,116	$ 0	$ 24,052,116
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	$ 26,689,757	$ 0	$ 26,689,757
Current year expenditures for 2009 Referendum				$ 0	
Expenditures financed through other revenues and transfers from other funds				2,151,559	
Total expenditures of the Debt Service SPLOST Fund				$ 2,151,559	

GILMER COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2018

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
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 infrastructure	$ 20,778,750	$ 20,778,750	$ 7,052,532	$ 3,868,256	$ 10,920,788
City of Ellijay	1,287,000	1,287,000	675,347	253,124	928,471
City of East Ellijay	434,250	434,250	227,871	85,596	313,467
	$ 22,500,000	$ 22,500,000	$ 7,955,750	$ 4,206,976	$ 12,162,726

Current year expenditures for 2014 Referendum	$ 4,206,976
Expenditures financed by other revenue sources and transfers from other funds	858,580
Total expenditures and transfers out of the SPLOST 2014 Fund	$ 5,065,556

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