GILMER COUNTY, GEORGIA

Annual Financial Report

For the year ended December 31, 2019

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GILMER COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 2019

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Independent Auditor's Report

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

Report on the 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, 2019, 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, 2019, 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 accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of expenditures of federal awards 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, the schedule of projects financed with special purpose local option sales tax, and the schedule of expenditures of federal awards 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, 2018, which are not presented with the accompanying financial statements. In our report dated May 15, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, 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 2018 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 2018 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 2018 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 2018 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 June 1, 2020, 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's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
June 1, 2020

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GILMER COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2019

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, 2019.

USING THE DECEMBER 31, 2019 AUDIT

The audit of Gilmer County, Georgia for the fiscal year ended December 31, 2019 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, 2019 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	
	2019	2018	2019	2018	2019	2018
Current assets	$ 18,584,027	$ 16,240,976	$ 90,956	$ (56,424)	$ 18,674,983	$ 16,184,552
Capital assets	74,408,805	74,987,706	632,421	624,728	75,041,226	75,612,434
Total assets	92,992,832	91,228,682	723,377	568,304	93,716,209	91,796,986
Deferred inflows of resources						
Deferred charges on refunding	1,157,989	1,243,063	0	0	1,157,989	1,243,063
Current liabilities	5,891,355	5,405,675	39,023	30,931	5,930,378	5,436,606
Noncurrent liabilities	38,193,011	41,049,516	0	0	38,193,011	41,049,516
Total liabilities	44,084,366	46,455,191	39,023	30,931	44,123,389	46,486,122
Net position:						
Net investment in capital assets	32,973,868	31,062,153	632,421	624,728	33,606,289	31,686,881
Restricted	9,643,018	8,385,820	0	0	9,643,018	8,385,820
Unrestricted	7,449,569	6,568,581	51,933	(87,355)	7,501,502	6,481,226
Total net position	$ 50,066,455	$ 46,016,554	$ 684,354	$ 537,373	$ 50,750,809	$ 46,553,927

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, 2019 compared to the previous year.

Table 2: Condensed Statement of Activities

Revenues	Governmental Activities 2019	Governmental Activities 2018	Business-Type Activities 2019	Business-Type Activities 2018	Total 2019	Total 2018
Program revenues:						
Charges for services	$ 4,483,498	$ 4,259,424	$ 454,440	$ 391,195	$ 4,937,938	$ 4,650,619
Operating grants and contributions	417,013	649,572	0	0	417,013	649,572
Capital grants and contributions	2,422,709	740,400	31,150	0	2,453,859	740,400
General revenues:						
Property taxes	13,764,899	13,043,168	0	0	13,764,899	13,043,168
Sales tax	8,523,800	7,748,655	0	0	8,523,800	7,748,655
Hotel/Motel	783,643	681,775	0	0	783,643	681,775
Insurance Premium	1,812,573	1,691,134	0	0	1,812,573	1,691,134
Other taxes	826,211	721,037	0	0	826,211	721,037
Other revenue	393,938	236,037	851	379	394,789	236,416
Total revenues	33,428,284	29,771,202	486,441	391,574	33,914,725	30,162,776
Expenses						
General Government	3,712,304	3,661,357	0	0	3,712,304	3,661,357
Judicial	2,564,985	2,521,149	0	0	2,564,985	2,521,149
Public Safety	13,203,516	12,527,057	0	0	13,203,516	12,527,057
Public Works	5,120,312	4,778,188	0	0	5,120,312	4,778,188
Health and Welfare	385,974	322,905	0	0	385,974	322,905
Culture and Recreation	1,798,180	1,789,442	0	0	1,798,180	1,789,442
Housing and Development	859,568	772,784	0	0	859,568	772,784
Interest on long-term debt	1,510,484	1,136,729	0	0	1,510,484	1,136,729
White Path Golf Course	0	0	562,520	554,470	562,520	554,470
Total expenses	29,155,323	27,509,611	562,520	554,470	29,717,843	28,064,081
Increase (decrease) in net position before transfers	4,272,961	2,261,591	(76,079)	(162,896)	4,196,882	2,098,695
Transfers	(223,060)	(178,517)	223,060	178,517	0	0
Increase (decrease) in net position	4,049,901	2,083,074	146,981	15,621	4,196,882	2,098,695
Net position-beginning	46,016,554	43,933,480	537,373	521,752	46,553,927	44,455,232
Net position-ending	$ 50,066,455	$ 46,016,554	$ 684,354	$ 537,373	$ 50,750,809	$ 46,553,927

During the fiscal year ending December 31, 2019 the net position of Gilmer County's governmental activities increased $4,049,901. Revenues increased $3,657,082 from the previous fiscal year and expenditures increased $1,645,712 compared to FY 2018.

Approximately 41% of the County's revenue came from property taxes, 36% came from other taxes and revenues, and the balance of 23% came from charges for services, grants and other sources.

The County's expenses cover a wide range of services with 45% allotted to public safety, 18% 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, 2019, the County's governmental funds reported a combined ending fund balance of $16,444,944, of which $6,342,841 is unassigned fund balance, $9,643,018 is restricted for specific purposes, and $459,085 is nonspendable fund balance.

The General Fund – the operating fund of the County – had a net increase in unassigned fund balance of $729,815 compared to FY 2018.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

At December 31, 2019, Gilmer County reported $74,408,805 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 42-43 of this report.

At December 31, 2019, long-term debt was $41,092,459 for governmental activities compared to $43,888,801 at December 31, 2018. 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 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 12 and 13 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 2018 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 2020, 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, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 14,646,237	$ 255,990	$ 14,902,227	$ 463,173
Restricted assets				
Cash and cash equivalents	505,551	0	505,551	0
Receivables (net)				
Accounts	320,268	729	320,997	118,553
Intergovernmental	394,647	0	394,647	22,002
Taxes	2,092,476	0	2,092,476	0
Prepaids	451,266	0	451,266	0
Inventories	7,819	0	7,819	410
Internal balances	165,763	(165,763)	0	0
Total current assets	18,584,027	90,956	18,674,983	604,138
Noncurrent assets				
Capital assets				
Non-depreciable	15,906,611	351,061	16,257,672	0
Depreciable (net)	58,502,194	281,360	58,783,554	16,295
Net OPEB asset	0	0	0	63,272
Total noncurrent assets	74,408,805	632,421	75,041,226	79,567
Total assets	92,992,832	723,377	93,716,209	683,705
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	1,157,989	0	1,157,989	0
Deferred outflows of resources - pension	0	0	0	170,387
Deferred outflows of resources - OPEB	0	0	0	107,188
Total deferred outflows of resources	1,157,989	0	1,157,989	277,575
LIABILITIES				
Current liabilities				
Payables				
Accounts	1,045,196	12,860	1,058,056	3,318
Retainages	101,170	0	101,170	0
Intergovernmental	33,238	0	33,238	0
Interest	368,205	0	368,205	0
Accrued salaries and payroll liabilities	567,855	10,429	578,284	0
Compensated absences	576,944	15,734	592,678	13,963
Unearned revenue	58,078	0	58,078	0
Capital leases payable	132,473	0	132,473	0
Bonds payable	2,964,022	0	2,964,022	0
Post-closure care costs	44,174	0	44,174	0
Total current liabilities	5,891,355	39,023	5,930,378	17,281
Noncurrent liabilities				
Compensated absences	0	0	0	13,963
Net pension liability	0	0	0	698,670
Net OPEB liability	0	0	0	398,799
Capital leases payable	338,878	0	338,878	0
Bonds payable	37,657,086	0	37,657,086	0
Post-closure care costs	197,047	0	197,047	0
Total noncurrent liabilities	38,193,011	0	38,193,011	1,111,432
Total liabilities	44,084,366	39,023	44,123,389	1,128,713

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

Exhibit A-1, continued

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	$ 0	$ 0	$ 0	$ 33,532
Deferred inflows of resources - OPEB	0	0	0	204,767
Total deferred inflows of resources	0	0	0	238,299
NET POSITION				
Net investment in capital assets	32,973,868	632,421	33,606,289	16,295
Restricted for:				
Judicial	414,102	0	414,102	0
Public safety	341,391	0	341,391	0
Public works	120,450	0	120,450	0
Housing and development	137	0	137	0
Capital outlay	5,628,927	0	5,628,927	0
Debt service	3,138,011	0	3,138,011	0
Prior year program income	0	0	0	39,043
Unrestricted	7,449,569	51,933	7,501,502	(461,070)
Total net position	$ 50,066,455	$ 684,354	$ 50,750,809	$ (405,732)

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, 2019

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	$ 3,712,304	$ 578,261	$ 0	$ 0	$ (3,134,043)
Judicial	2,564,985	420,963	71,992	0	(2,072,030)
Public Safety	13,203,516	2,530,507	27,840	0	(10,645,169)
Public Works	5,120,312	841,666	198,906	2,422,709	(1,657,031)
Health and Welfare	385,974	0	4,995	0	(380,979)
Culture and Recreation	1,798,180	112,101	113,280	0	(1,572,799)
Housing and Development	859,568	0	0	0	(859,568)
Interest on long-term debt	1,510,484	0	0	0	(1,510,484)
Total governmental activities	29,155,323	4,483,498	417,013	2,422,709	(21,832,103)
Business-type activities					
White Path Golf Course	562,520	454,440	0	31,150	(76,930)
Total primary government	29,717,843	4,937,938	417,013	2,453,859	(21,909,033)
Component Unit					
Gilmer County Health Department					
Health and Welfare	948,899	561,752	547,509	0	160,362

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Change in net position				
Net (expense) revenue	$ (21,832,103)	$ (76,930)	$ (21,909,033)	$ 160,362
General revenues				
Taxes				
Property	13,764,899	0	13,764,899	0
Sales	8,523,800	0	8,523,800	0
Insurance premium	1,812,573	0	1,812,573	0
Franchise	245,889	0	245,889	0
Intangible	404,642	0	404,642	0
Occupational	73,808	0	73,808	0
Hotel/Motel	783,643	0	783,643	0
Other	77,981	0	77,981	0
Interest and investment earnings	23,891	851	24,742	92
Other	393,938	0	393,938	0
Transfers	(223,060)	223,060	0	0
Total general revenues and transfers	25,882,004	223,911	26,105,915	92
Change in net position	4,049,901	146,981	4,196,882	160,454
Net position - beginning	46,016,554	537,373	46,553,927	(566,186)
Net position - ending	$ 50,066,455	$ 684,354	$ 50,750,809	$ (405,732)

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

Exhibit A-2

GILMER COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	General	Multiple Grant	Debt Service SPLOST
ASSETS			
Cash and cash equivalents	$ 6,211,143	$ 96,161	$ 2,988,438
Receivables (net)			
Accounts	272,126	0	0
Intergovernmental	0	394,647	0
Taxes	1,361,191	0	209,017
Prepaids	251,967	0	0
Inventories	7,819	0	0
Due from other funds	185,379	0	0
Restricted assets			
Cash and cash equivalents	505,277	0	274
Total assets	$ 8,794,902	$ 490,808	$ 3,197,729
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 582,691	$ 229,107	$ 0
Retainages	0	101,170	0
Intergovernmental	0	0	0
Accrued salaries and payroll liabilities	537,494	0	0
Unearned revenue	0	58,078	0
Due to other funds	292,985	2,482	0
Total liabilities	1,413,170	390,837	0
Deferred inflows of resources			
Unavailable revenue-property taxes	273,828	0	59,718
Fund balances			
Nonspendable:			
Prepaids	251,967	0	0
Inventories	7,819	0	0
Restricted for:			
Judicial	414,102	0	0
Public safety	91,038	0	0
Public works	0	99,971	0
Housing and Development	137	0	0
Capital outlay	0	0	0
Debt service	0	0	3,138,011
Unassigned	6,342,841	0	0
Total fund balances	7,107,904	99,971	3,138,011
Total liabilities, deferred inflows of resources, and fund balances	$ 8,794,902	$ 490,808	$ 3,197,729

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

Exhibit A-3, continued

SPLOST 2014	Nonmajor Governmental Funds	Totals
$ 5,061,438	$ 289,057	$ 14,646,237
0	48,142	320,268
0	0	394,647
434,482	87,786	2,092,476
0	199,299	451,266
0	0	7,819
0	292,985	478,364
0	0	505,551
$ 5,495,920	$ 917,269	$ 18,896,628
$ 102,048	$ 131,350	$ 1,045,196
0	0	101,170
33,238	0	33,238
0	30,361	567,855
0	0	58,078
1,047	16,087	312,601
136,333	177,798	2,118,138
0	0	333,546
0	199,299	451,266
0	0	7,819
0	0	414,102
0	250,353	341,391
0	20,479	120,450
0	0	137
5,359,587	269,340	5,628,927
0	0	3,138,011
0	0	6,342,841
5,359,587	739,471	16,444,944
$ 5,495,920	$ 917,269	$ 18,896,628

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

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GILMER COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
December 31, 2019

Total fund balance - total governmental funds			$ 16,444,944
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			74,408,805
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			333,546
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are:			
Bonds payable	$	(40,621,108)	
Deferred charges on bond refunding		1,157,989	
Accrued interest		(368,205)	
Compensated absences		(576,944)	
Capital leases payable		(471,351)	
Post-closure care costs		(241,221)	(41,120,840)
Net position of governmental activities			$ 50,066,455

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, 2019

	General	Multiple Grant	Debt Service SPLOST
REVENUES			
Taxes	$ 17,926,855	$ 0	$ 2,177,439
Licenses and permits	221,789	0	0
Fines, fees and forfeitures	636,247	0	0
Charges for services	2,819,345	0	61,776
Intergovernmental	475,346	1,767,171	0
Interest	20,239	1,146	11,731
Contributions	7,418	0	0
Other	387,123	0	0
Total revenues	22,494,362	1,768,317	2,250,946
EXPENDITURES			
Current			
General Government	3,000,293	0	0
Judicial	2,546,087	0	0
Public Safety	10,904,548	0	0
Public Works	2,975,633	1,593,964	0
Health and Welfare	343,824	0	0
Culture and Recreation	929,916	74,382	0
Housing and Development	581,774	0	0
Capital outlay	0	0	0
Intergovernmental	0	0	0
Debt service	39,325	0	2,160,199
Total expenditures	21,321,400	1,668,346	2,160,199
Excess (deficiency) of revenues over (under) expenditures	1,172,962	99,971	90,747
Other financing sources (uses)			
Transfers in	235,093	0	0
Transfers out	(637,910)	0	0
Payment to refunded bond escrow agent	0	0	0
Proceeds of refunding bonds	0	0	0
Proceeds from capital leases	0	0	0
Total other financing sources (uses)	(402,817)	0	0
Net change in fund balance	770,145	99,971	90,747
Fund balances, January 1	6,337,759	0	3,047,264
Fund balances, December 31	$ 7,107,904	99,971	$ 3,138,011

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

Exhibit A-5, continued

SPLOST 2014	Nonmajor Governmental Funds	Totals
$ 4,868,833	$ 783,643	$ 25,756,770
0	0	221,789
0	0	636,247
0	569,340	3,450,461
684,004	40,260	2,966,781
28,791	2,506	64,413
0	0	7,418
0	6,815	393,938
5,581,628	1,402,564	33,497,817
0	0	3,000,293
0	0	2,546,087
0	966,417	11,870,965
0	26,742	4,596,339
0	0	343,824
0	0	1,004,298
0	548,550	1,130,324
2,458,294	0	2,458,294
372,466	0	372,466
0	2,155,334	4,354,858
2,830,760	3,697,043	31,677,748
2,750,868	(2,294,479)	1,820,069
0	2,363,773	2,598,866
(1,948,923)	(235,093)	(2,821,926)
0	(12,723,539)	(12,723,539)
0	13,007,526	13,007,526
123,874	0	123,874
(1,825,049)	2,412,667	184,801
925,819	118,188	2,004,870
4,433,768	621,283	14,440,074
$ 5,359,587	$ 739,471	$ 16,444,944

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, 2019

Net change in fund balances - total governmental funds		$ 2,004,870
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	$ 2,093,694	
Depreciation	(2,672,595)	(578,901)
The proceeds of debt issuance, net of premiums, discounts and issuance costs provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.		
Proceeds from bonds	$ (13,007,526)	
Bond principal payments	15,575,000	
Net change in deferred bond refunding	(85,076)	
Proceeds from capital leases	(123,875)	
Capital lease payments	246,336	
Amortization of bond premiums	106,407	
Net change in interest payable	(18,772)	
Landfill closure/postclosure retirement	44,174	2,736,668
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		(69,532)
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.		(43,204)
Change in net position of governmental activities		$ 4,049,901

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, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 17,164,500	$ 17,164,500	$ 17,926,855	$ 762,355
Licenses and permits	230,500	230,500	221,789	(8,711)
Fines, fees and forfeitures	643,000	643,000	636,247	(6,753)
Charges for services	2,328,657	2,328,657	2,819,345	490,688
Intergovernmental	571,205	571,205	475,346	(95,859)
Interest	19,000	19,000	20,239	1,239
Contributions	0	0	7,418	7,418
Other	279,545	279,545	387,123	107,578
Total revenues	21,236,407	21,236,407	22,494,362	1,257,955
EXPENDITURES				
Current				
General Government				
Board of Commissioners	689,104	689,104	690,537	(1,433)
County Administration	64,262	64,262	60,528	3,734
Elections/Registrar	171,651	171,651	127,507	44,144
Tax Commissioner	473,748	473,748	509,727	(35,979)
Tax Assessor	856,612	856,612	833,214	23,398
Facility Management	745,660	745,660	762,976	(17,316)
Board of Equalization	18,062	18,062	15,804	2,258
Judicial				
Superior Court	378,295	378,295	386,541	(8,246)
Clerk of Superior Court	627,784	627,784	569,775	58,009
District Attorney	406,799	406,799	446,625	(39,826)
Magistrate Court	263,283	263,283	253,955	9,328
Probate Court	373,792	373,792	348,581	25,211
Juvenile Court	304,520	304,520	283,682	20,838
Public Defender	273,886	273,886	256,928	16,958
Public Safety				
Sheriff	3,509,394	3,509,394	3,936,587	(427,193)
Detention Center	2,077,633	2,077,633	2,498,174	(420,541)
Probation	115,757	115,757	103,341	12,416
Appalachian DTF	45,000	45,000	3,136	41,864
Fire	3,602,944	3,602,944	3,854,068	(251,124)
Coroner	66,223	66,223	64,737	1,486
Emergency Management	143,692	143,692	133,242	10,450
Animal Control	277,075	277,075	311,263	(34,188)
Public Works				
Road Department	1,907,751	1,907,751	1,709,577	198,174
Landfill	840,995	840,995	958,847	(117,852)
Maintenance Shop	211,497	211,497	200,005	11,492
Airport	116,521	116,521	107,204	9,317
Health and Welfare				
Health Department	167,147	167,147	163,578	3,569
Bus Transportation	135,900	135,900	85,699	50,201
DFACS	18,000	18,000	18,000	0
Family Connection	0	0	76,547	(76,547)
Culture and Recreation				
Parks and Recreation	695,410	695,410	590,158	105,252
Libraries	325,540	325,540	327,419	(1,879)
Civic Center	33,100	33,100	12,339	20,761

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, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES (continued)				
Current				
Housing and Development				
Planning and Zoning	$ 384,078	$ 384,078	$ 338,632	$ 45,446
Code Enforcement	92,039	92,039	102,966	(10,927)
County Agent	56,747	56,747	50,176	6,571
Joint Development Authority	90,000	90,000	90,000	0
Debt service				
General Government				
Board of Commissioners	24,997	24,997	39,325	(14,328)
Total expenditures	20,584,898	20,584,898	21,321,400	(736,502)
Excess (deficiency) of revenues over expenditures	651,509	651,509	1,172,962	(521,453)
Other financing sources (uses)				
Transfers in	0	0	235,093	235,093
Transfers (out)	0	0	(637,910)	(637,910)
Contingency	(651,509)	(651,509)	0	651,509
Total other financing sources (uses)	(651,509)	(651,509)	(402,817)	248,692
Net change in fund balance	0	0	770,145	770,145
Fund balances, January 1	0	0	6,337,759	6,337,759
Fund balances, December 31	$ 0	$ 0	$ 7,107,904	$ 7,107,904

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, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 109,249	$ 1,703,213	$ 1,767,171	$ 63,958
Interest	881	881	1,146	265
Total revenues	110,130	1,704,094	1,768,317	64,223
EXPENDITURES				
Current				
Public Works	0	1,593,964	1,593,964	0
Culture and Recreation	74,384	74,384	74,382	2
Total expenditures	74,384	1,668,348	1,668,346	2
Excess (deficiency) of revenues over expenditures	35,746	35,746	99,971	64,225
Other financing sources (uses)				
Contingency	(35,746)	(35,746)	0	35,746
Net change in fund balance	0	0	99,971	99,971
Fund balances, January 1	0	0	0	0
Fund balances, December 31	$ 0	$ 0	$ 99,971	$ 99,971

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

Exhibit A-8

GILMER COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2019

	White Path Golf Course
ASSETS	
Current assets	
Cash and cash equivalents	$ 255,990
Accounts receivable	729
Due from other funds	1,047
Total current assets	257,766
Noncurrent assets	
Capital assets	
Non-depreciable	351,061
Depreciable, net	281,360
Total noncurrent assets	632,421
Total assets	890,187
LIABILITIES	
Current liabilities	
Accounts payable	12,860
Accrued salaries and other payroll liabilities	10,429
Compensated absences	15,734
Due to other funds	166,810
Total liabilities	205,833
NET POSITION	
Investment in capital assets	632,421
Unrestricted	51,933
Total net position	$ 684,354

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, 2019

	White Path Golf Course
OPERATING REVENUES	
Charges for sales and services	$ 454,440
Total operating revenues	454,440
OPERATING EXPENSES	
Costs of sales and services	224,252
Personal services	305,532
Depreciation	32,736
Total operating expenses	562,520
Operating income (loss)	(108,080)
Non-operating revenues (expenses)	
Interest revenue	851
Contributions	31,150
Total non-operating revenues (expenses)	32,001
Net income (loss) before transfers	(76,079)
Transfers in (out)	
Transfers in	223,060
Change in net position	146,981
Net position, January 1	537,373
Net position, December 31	$ 684,354

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

Exhibit A-10

GILMER COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the year ended December 31, 2019

	White Path Golf Course
Cash flows from operating activities:	
Receipts from customers	$ 454,333
Payments to suppliers	(222,393)
Payments to employees	(299,299)
Net cash provided (used) by operating activities	(67,359)
Cash flows from non-capital financing activities:	
Receipts from other funds	226,914
Payments to other funds	(30,000)
Net cash provided (uses) by non-capital financing activities	196,914
Cash flows from capital and related financing activities:	
Receipts from other funds	129,383
Acquisition of capital assets	(40,429)
Net cash provided (uses) by capital and related financing activities	88,954
Cash flows from investing activities:	
Interest received	851
Net increase (decrease) in cash and cash equivalents	219,360
Cash and cash equivalents, January 1	36,630
Cash and cash equivalents, December 31	$ 255,990
Reconciliation of operating income (loss) to to net cash provided (used) by operating activities:	
Operating income (loss)	$ (108,080)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	32,736
(Increase) decrease in accounts receivable	(107)
Increase (decrease) in accounts payable	1,859
Increase (decrease) in accrued payroll liabilities	6,233
Total adjustments	40,721
Net cash provided (used) by operating activities	$ (67,359)

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, 2019

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 1,348,365
LIABILITIES	
Due to others	$ 1,348,365

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 2019.

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, 2019, the Health Department received $147,092 from the County Board of Commissioners to subsidize annual operations. The Health Department's fiscal year end is June 30. A copy of the Gilmer County Health Department's financial statements can be obtained from 100 W. Walnut Avenue, Suite 92, Dalton, Georgia 30720.

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, 2019 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, 2019 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, 2019 consist of the following:

Primary Government:		
Major Funds		
General Fund	$ 2,351,674	
Less: Allowance for Uncollectibles	(2,079,548)	$ 272,126
White Path Golf Course Enterprise Fund		729
Nonmajor Funds		
Emergency 911 Telephone Services Special Revenue Fund		48,142
Total primary government		$ 320,997
Component Units		
Gilmer County Department of Public Health		$ 118,553

5. Intergovernmental Receivables

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

Intergovernmental receivables at December 31, 2019 consist of the following:

Primary Government:	
Major Funds	
Multiple Grant Fund	$ 394,647
Component Units	
Gilmer County Department of Public Health	$ 22,002

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 2019, based upon the assessments as of January 1, 2019, were levied on August 23, 2019, billed on September 23, 2019, and due on November 25, 2019. 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, 2019 is as follows:

Due To:	Due From:	Amount
General	Multiple Grant	$ 2,482
	White Path Golf Course	166,810
	Nonmajor Governmental	16,087
White Path Golf Course	SPLOST 2014	1,047
Nonmajor Governmental	General	292,985
		$ 479,411

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.

8. Interfund Transfers

A summary of interfund transfers for the year ended December 31, 2019 is as follows:

Transfers in:	Transfers out:	Amount
General	Nonmajor Governmental	$ 235,093
White Path Golf Course	SPLOST 2014	77,456
	General	145,604
Nonmajor Governmental	General	492,306
	SPLOST 2014	1,871,467
		$ 2,821,926

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements. The transfer from the 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 was 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, 2019 was as follows:

	Balance 12/31/2018	Increases	Decreases	Balance 12/31/2019
Governmental activities				
Nondepreciable assets				
Land	$ 13,494,486	$ 692,206	$ 0	$ 14,186,692
Construction in progress	529,307	1,882,818	(692,206)	1,719,919
Total non-depreciable assets	14,023,793	2,575,024	(692,206)	15,906,611
Depreciable assets				
Buildings	52,188,328	6,560	0	52,194,888
Land improvements	3,082,172	0	0	3,082,172
Machinery, equipment, and vehicles	20,873,277	204,316	0	21,077,593
Infrastructure	23,890,823	0	0	23,890,823
Total depreciable assets	100,034,600	210,876	0	100,245,476
Less accumulated depreciation				
Buildings and improvements	(14,962,760)	(1,182,583)	0	(16,145,343)
Land improvements	(1,324,819)	(85,158)	0	(1,409,977)
Machinery, equipment, and vehicles	(17,637,390)	(706,822)	0	(18,344,212)
Infrastructure	(5,145,718)	(698,032)	0	(5,843,750)
Total accumulated depreciation	(39,070,687)	(2,672,595)	0	(41,743,282)
Total depreciable assets, net	60,963,913	(2,461,719)	0	58,502,194
Governmental activities capital assets, net	$ 74,987,706	$ 113,305	$ (692,206)	$ 74,408,805
Business-type activities				
Nondepreciable assets				
Land	$ 310,632	$ 0	$ 0	$ 310,632
Construction in progress	0	40,429	0	40,429
Total non-depreciable assets	310,632	40,429	0	351,061
Depreciable assets				
Buildings and improvements	352,177	0	0	352,177
Land improvements	30,486	0	0	30,486
Machinery, equipment, and vehicles	418,275	0	0	418,275
Infrastructure	52,418	0	0	52,418
Total depreciable assets	853,356	0	0	853,356
Less accumulated depreciation				
Buildings and improvements	(127,437)	(17,609)	0	(145,046)
Land improvements	(30,486)	0	0	(30,486)
Machinery, equipment, and vehicles	(359,059)	(12,506)	0	(371,565)
Infrastructure	(22,278)	(2,621)	0	(24,899)
Total accumulated depreciation	(539,260)	(32,736)	0	(571,996)
Total depreciable assets, net	314,096	(32,736)	0	281,360
Business-type activities capital assets, net	$ 624,728	$ 7,693	$ 0	$ 632,421

9. Capital Assets (continued)

Activity for the discretely presented component units for the year ended June 30, 2019 are as follows:

	Balance 6/30/2018	Increases	Decreases	Balance 6/30/2019
Gilmer County Department of Public Health				
Depreciable assets				
Computer equipment	$ 7,188	$ 0	$ 0	$ 7,188
Office equipment	23,190	0	0	23,190
Vehicles	17,518	0	0	17,518
Leasehold Improvements	6,885	0	0	6,885
Total Depreciable Assets	54,781	0	0	54,781
Less accumulated depreciation				
Computer equipment	(7,188)	0	0	(7,188)
Office equipment	(4,638)	(7,421)	0	(12,059)
Vehicles	(17,518)	0	0	(17,518)
Leasehold Improvements	(1,033)	(688)	0	(1,721)
Total accumulated depreciation	(30,377)	(8,109)	0	(38,486)
Total Health Department depreciable assets, net	$ 24,404	$ (8,109)	$ 0	$ 16,295

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 628,835
Judicial	2,396
Public Safety	792,400
Public Works	837,922
Health and Welfare	23,733
Culture and Recreation	254,254
Housing and Development	133,055
Total depreciation expense for governmental activities	$ 2,672,595
Business-type activities	
White Path Golf Course	$ 32,736
Discretely presented component unit	
Gilmer County Department of Public Health	$ 8,109

10. Short-Term Debt

The County paid off a tax anticipation note for operating purposes of $2,219,000 at a financial institution. The note carried an interest rate of 3.93% and matured on December 31, 2019. As of December 31, 2019, the principal was paid in full.

The short-term borrowings interest incurred and expensed for the period ended December 31, 2019 was $28,130.

Short-term debt activity for the year ended December 31, 2019, is as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Tax anticipation note	$ 0	$ 2,219,000	$ (2,219,000)	$ 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, 2019 total $471,351 for governmental activities. The machinery and equipment has a 10-year useful life and the vehicles have a 5-year useful life. This year $81,222 was included in depreciation expense. Total assets leased under capital leases are $779,241 for governmental activities, consisting of:

	Cost	Accumulated Depreciation
Machinery, equipment, and vehicles	$ 779,241	$ 204,979

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, 2019:

Year Ending December 31,	Governmental activities
2020	$ 142,896
2021	135,657
2022	89,677
2023	44,570
2024	44,570
2025	44,570
Total minimum lease payments	501,940
Less amounts representing interest	(30,589)
Present value of minimum lease payments	$ 471,351

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 from Direct Placements

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. In an event of default, any outstanding principal and interest on the bonds may become immediately due and payable. These bonds were refunded with the Series 2019 Refunding Revenue Bonds.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds from Direct Placements, continued

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. The bonds are secured by sales tax proceeds and then from the levy of property tax. In an event of default, any outstanding principal and interest on the bonds may become immediately due and payable. As of December 31, 2019, the bonds had an outstanding balance of $18,465,000.

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. In an event of default, any outstanding principal and interest on the bonds may become immediately due and payable. As of December 31, 2019, the bonds had an outstanding balance of $4,100,000.

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. In an event of default, any outstanding principal and interest on the bonds may become immediately due and payable. As of December 31, 2019, the bonds had an outstanding balance of $1,060,000.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds from Direct Placements, continued

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. The bonds are secured by sales tax proceeds and then from the levy of property tax. In an event of default, any outstanding principal and interest on the bonds may become immediately due and payable. As of December 31, 2019, the bonds had an outstanding balance of $3,750,000.

Building Authority Refunding Revenue Bonds, Series 2019 - In 2019, the County issued refunding revenue bonds in the amount of $11,190,000. The bonds are issued as term bonds with interest rates from 5.00% maturing April 1, 2030. The purpose of the bonds was to refund the Building Authority Refunding Revenue Bonds, Series 2014. The bonds are secured by sales tax proceeds and then from the levy of property tax. In an event of default, any outstanding principal and interest on the bonds may become immediately due and payable. As of December 31, 2019, the bonds had an outstanding balance of $11,190,000.

12. Long-Term Debt (continued)

Governmental Activities, continued

Bonds from Direct Placements, continued

The annual requirements to amortize bonds from direct placements as of December 31, 2019 are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	$ 2,775,000	$1,196,342.50	$ 3,971,342.50
2021	2,810,000	1,119,258	3,929,258
2022	2,900,000	1,032,045	3,932,045
2023	2,985,000	941,599	3,926,599
2024	3,090,000	847,804	3,937,804
2025-2029	17,070,000	2,702,141	19,772,141
2030-2032	6,935,000	355,974	7,290,974
Totals	$ 38,565,000	$ 8,195,163	$ 46,760,163

13. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the County for the year ending December 31, 2019:

	Balance 12/31/2018	Additions	Deductions	Balance 12/31/2019	Due Within One Year
Governmental activities					
Bonds from direct placements	$ 42,950,000	$ 11,190,000	$ 15,575,000	$ 38,565,000	$ 2,775,000
Unamortized bond premium	344,989	1,817,526	106,407	2,056,108	189,022
Capital leases payable	593,812	123,874	246,335	471,351	132,473
Compensated absences	533,740	576,944	533,740	576,944	576,944
Total governmental activities	$ 44,422,541	$ 13,708,344	$ 16,461,482	$ 41,669,403	$ 3,673,439
Business-type activities					
Compensated absences	$ 11,542	$ 15,734	$ 11,542	$ 15,734	$ 15,734

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, 2019 was $1,510,484 for the governmental activities.

13. Changes in Long-Term Liabilities (continued)

Long-term liability activity for the Gilmer County Department of Public Health Component Unit for the year ended June 30, 2019 was as follows:

	Balance 6/30/2018	Additions	Deductions	Balance 6/30/2019	Due Within One Year
Health Department					
Compensated absences	$ 34,118	$ 10,867	$ 17,059	$ 27,926	$ 13,963

14. Landfill Closure and Post-Closure Care Costs

State and Federal laws and regulations require the County to place a final cover on a landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports an estimated portion of these closure and post closure care costs as a current operating expenditure in each period based on landfill capacity used as of each balance sheet date. The estimated costs are subject to adjustment due to changes in inflation or deflation, technology, or applicable laws or regulations. The current amount of post closure care costs remaining as of December 31, 2019 is $241,221, which is recognized in the government-wide financial statements. The landfill was officially closed April 8, 1994.

15. Restricted, Committed, and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds for the fiscal year ended December 31, 2019:

	General	Multiple Grant	Debt Service SPLOST	SPLOST 2014	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:						
Judicial						
Drug Treatment	$ 77,984	$ 0	$ 0	$ 0	$ 0	$ 77,984
Crime victims assistance	14,092	0	0	0	0	14,092
Juvenile court	94,387	0	0	0	0	94,387
Clerk of court equipment	227,639	0	0	0	0	227,639
Public Safety						
E911 facilities and equipment	0	0	0	0	250,353	250,353
Detention center	91,038	0	0	0	0	91,038
Public Works						
Capital projects	0	99,971	0	0	20,479	120,450
Housing and Development						
Economic delopment	137	0	0	0	0	137
Capital projects	0	0	0	5,359,587	269,340	5,628,927
Debt service	0	0	3,138,011	0	0	3,138,011
	$ 505,277	$ 99,971	$ 3,138,011	$ 5,359,587	$ 540,172	$ 9,643,018

16. 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, 2019, the County contributed $43,825 and plan member voluntary contributions were $220,674.

16. Retirement Plans (continued)

Defined Contribution Plan, continued

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.

17. Hotel/Motel Lodging Tax

The County levies a 5% lodging tax. A summary of the transactions for the fiscal year ending December 31, 2019 follows:

Lodging Tax Receipts	$ 783,643	
Disbursements for trade and tourism	$ 548,550	70% of tax receipts

18. 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. 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.

18. Joint Ventures (continued)

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, 2019, the County paid $20,193 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, 2019, the County paid $112,500 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.

19. 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.

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, 2019. No provisions have been made in the financial statements for the twelve months ended December 31, 2019 or any estimate of potential unpaid claims.

19. Risk Management (continued)

Other, continued

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, 2019, 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.

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.

20. 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.

21. New Accounting Standards

The County implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.* The requirements of this statement have been extended to periods beginning after June 15, 2019.

22. Subsequent Events

Management has evaluated subsequent events through June 1, 2020, the date the financial statements were available to be issued.

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the County, its performance, and its financial results.

23. Material Noncompliance

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

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

	Budget	Actual	Variance
General Fund			
Current			
Tax Commissioner	$ 473,748	$ 509,727	$ (35,979)
District Attorney	406,799	446,625	(39,826)
Sheriff Department	3,509,394	3,936,587	(427,193)
Detention Center	2,077,633	2,498,174	(420,541)
Fire Department	3,602,944	3,854,068	(251,124)
Animal Control	277,075	311,263	(34,188)
Landfill	840,995	958,847	(117,852)
Family Connection	0	76,547	(76,547)
Code Enforcement	92,039	102,966	(10,927)
Debt Service			
Board of Commissioners	24,997	39,325	(14,328)
Emergency 911 Telephone Services Fund	903,777	966,417	(62,640)

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

COMBINING STATEMENTS

Nonmajor Governmental Funds

GILMER COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2019

	Special Revenue		
	Emergency 911 Telephone Services	Hotel/ Motel Tax	FEMA Grant
ASSETS			
Cash and cash equivalents	$ 243,029	$ 0	$ 38,594
Receivables			
Accounts	48,142	0	0
Taxes	0	87,786	0
Prepaids	0	0	0
Due from other funds	0	31,079	0
Total assets	$ 291,171	$ 118,865	$ 38,594
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 10,370	$ 118,865	$ 2,115
Accrued salaries	30,361	0	0
Due to other funds	87	0	16,000
Total liabilities	40,818	118,865	18,115
Fund balances			
Nonspendable:			
Prepaids	0	0	0
Restricted for:			
Public safety	250,353	0	0
Public works	0	0	20,479
Capital outlay	0	0	0
Total fund balances	250,353	0	20,479
Total liabilities and fund balances	$ 291,171	$ 118,865	$ 38,594

Capital Projects		Total Nonmajor Governmental Funds
SPLOST 2003	Capital Projects	
$ 7,434	$ 0	$ 289,057
0	0	48,142
0	0	87,786
0	199,299	199,299
0	261,906	292,985
$ 7,434	$ 461,205	$ 917,269
$ 0	$ 0	$ 131,350
0	0	30,361
0	0	16,087
0	0	177,798
0	199,299	199,299
0	0	250,353
0	0	20,479
7,434	261,906	269,340
7,434	461,205	739,471
$ 7,434	$ 461,205	$ 917,269

GILMER COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended December 31, 2019

	Special Revenue		
REVENUES	**Emergency 911 Telephone Services**	**Hotel/ Motel Tax**	**FEMA Grant**
Taxes	$ 0	$ 783,643	$ 0
Charges for services	569,340	0	0
Intergovernmental	0	0	40,260
Interest	1,060	0	61
Other	0	0	0
Total revenues	570,400	783,643	40,321
EXPENDITURES			
Current			
Public Safety	966,417	0	0
Public Works	0	0	26,742
Housing and Development	0	548,550	0
Debt service	0	0	0
Total expenditures	966,417	548,550	26,742
Excess (deficiency) of revenues over (under) expenditures	(396,017)	235,093	13,579
Other financing sources (uses)			
Transfers in	492,306	0	0
Transfers out	0	(235,093)	0
Payment to refunded bond escrow agent	0	0	0
Proceeds of refunding bonds	0	0	0
Total other financing sources (uses)	492,306	(235,093)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	96,289	0	13,579
Fund balances, January 1	154,064	0	6,900
Fund balances, December 31	$ 250,353	$ 0	$ 20,479

Capital Projects			
SPLOST 2003	Capital Projects	Total Nonmajor Governmental Funds
$ 0	$ 0	$ 783,643
0	0	569,340
0	0	40,260
90	1,295	2,506
6,815	0	6,815
6,905	1,295	1,402,564
0	0	966,417
0	0	26,742
0	0	548,550
2,155,334	0	2,155,334
2,155,334	0	3,697,043
(2,148,429)	1,295	(2,294,479)
1,871,467	0	2,363,773
0	0	(235,093)
(12,723,539)	0	(12,723,539)
13,007,526	0	13,007,526
2,155,454	0	2,412,667
7,025	1,295	118,188
409	459,910	621,283
$ 7,434	$ 461,205	$ 739,471

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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, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 6,211,143	$ 5,778,615
Receivables (net)		
Accounts	272,126	341,184
Intergovernmental	0	2,000
Taxes	1,361,191	1,352,519
Due from other funds	185,379	175,107
Prepaids	251,967	230,968
Inventories	7,819	12,256
Restricted assets		
Cash	505,277	481,509
Total assets	$ 8,794,902	$ 8,374,158
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 582,691	$ 493,631
Accrued salaries and payroll liabilities	537,494	486,012
Due to other funds	292,985	724,453
Total liabilities	1,413,170	1,704,096
Deferred inflows of resources		
Unavailable revenue - property taxes	273,828	332,303
Fund balances		
Nonspendable:		
Prepaids	251,967	230,968
Inventories	7,819	12,256
Restricted for:		
Judicial	414,102	390,193
Public Safety	91,038	91,179
Housing and Development	137	137
Unassigned	6,342,841	5,613,026
Total fund balances	7,107,904	6,337,759
Total liabilities, deferred inflows of resources and fund balances	$ 8,794,902	$ 8,374,158

GILMER COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2019 and 2018

REVENUES	**2019**	**2018**
Taxes	$ 17,926,855	$ 16,629,000
Licenses and permits	221,789	209,750
Fines, fees and forfeitures	636,247	640,342
Charges for services	2,819,345	2,689,075
Intergovernmental	475,346	677,766
Interest	20,239	19,712
Contributions	7,418	500
Other	387,123	236,037
Total revenues	22,494,362	21,102,182
EXPENDITURES		
Current		
General Government	3,000,293	2,985,206
Judicial	2,546,087	2,513,027
Public Safety	10,904,548	10,380,847
Public Works	2,975,633	2,651,701
Health and Welfare	343,824	299,298
Culture and Recreation	929,916	963,622
Housing and Development	581,774	544,103
Total Current	21,282,075	20,337,804
Debt Service		
General Government	39,325	18,245
Total expenditures	21,321,400	20,356,049
Excess of revenues over expenditures	1,172,962	746,133
Other financing sources (uses)		
Transfers in	235,093	479,533
Transfers out	(637,910)	(904,152)
Total other financing sources (uses)	(402,817)	(424,619)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	770,145	321,514
Fund balances, January 1	6,337,759	6,016,245
Fund balances, December 31	$ 7,107,904	$ 6,337,759

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Real and personal tax	$ 10,200,000	$ 9,651,558	$ (548,442)	$ 9,181,106
Motor vehicle tax	1,180,000	1,733,722	553,722	1,498,387
Mobile home tax	62,000	10,842	(51,158)	25,765
Timber tax	5,000	2,042	(2,958)	6,230
Cost, penalties and interest	200,000	258,828	58,828	206,400
Total general property taxes	11,647,000	11,656,992	9,992	10,917,888
Local option sales tax	3,200,000	3,654,967	454,967	3,320,942
Insurance premium tax	1,600,000	1,805,115	205,115	1,684,315
Franchise tax	220,000	245,889	25,889	225,519
Intangibles tax	250,000	299,031	49,031	232,472
Real estate transfer tax	90,000	105,611	15,611	95,531
Beer and wine tax	62,000	73,537	11,537	64,000
Railroad equipment tax	7,000	7,458	458	6,819
Occupational tax	85,000	73,808	(11,192)	71,730
Other tax	3,500	4,447	947	9,784
Total taxes	17,164,500	17,926,855	762,355	16,629,000
Licenses and permits				
Building permits	225,000	212,189	(12,811)	199,640
Alcohol licenses	5,500	9,600	4,100	10,110
Total licenses and permits	230,500	221,789	(8,711)	209,750
Fines, fees and forfeitures	643,000	636,247	(6,753)	640,342
Charges for Services				
Emergency services	1,204,000	1,403,897	199,897	1,348,918
Sheriff services	140,500	136,431	(4,069)	135,205
Probation fees	115,757	45,438	(70,319)	0
Recreation fees	144,000	112,101	(31,899)	147,953
Landfill fees	540,000	586,708	46,708	528,815
Airport fees	53,000	42,768	(10,232)	53,485
Collection commissions	100,000	456,616	356,616	440,339
Other charges for services	31,400	35,386	3,986	34,360
Total charges for services	2,328,657	2,819,345	490,688	2,689,075

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Intergovernmental	$ 571,205	$ 475,346	$ (95,859)	$ 677,766
Interest	19,000	20,239	1,239	19,712
Contributions	0	7,418	7,418	500
Other				
Rental income	43,200	43,276	76	41,607
Miscellaneous	236,345	343,847	107,502	194,430
Total other	279,545	387,123	107,578	236,037
Total revenues	$ 21,236,407	$ 22,494,362	$ 1,257,955	$ 21,102,182

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Board of Commissioners				
Personal services	$ 476,354	$ 484,323	$ (7,969)	$ 444,566
Contract services	188,050	181,426	6,624	163,367
Materials and supplies	24,700	24,788	(88)	27,106
Total Board of Commissioners	689,104	690,537	(1,433)	635,039
County Administration				
Personal services	21,862	19,609	2,253	23,636
Contract services	41,400	39,919	1,481	39,551
Payment to others	1,000	1,000	0	1,000
Total County Administration	64,262	60,528	3,734	64,187
Elections/Registrar				
Personal services	127,426	98,609	28,817	172,160
Contract services	35,525	21,752	13,773	58,811
Materials and supplies	8,700	7,146	1,554	6,597
Total Elections/Registrar	171,651	127,507	44,144	237,568
Tax Commissioner				
Personal services	346,458	384,506	(38,048)	361,476
Contract services	105,190	108,498	(3,308)	98,524
Materials and supplies	22,100	16,723	5,377	12,060
Total Tax Commissioner	473,748	509,727	(35,979)	472,060
Tax Assessor				
Personal services	715,745	691,853	23,892	734,137
Contract services	123,255	123,645	(390)	130,329
Materials and supplies	17,612	17,716	(104)	17,946
Payments to others	0	0	0	2,500
Total Tax Assessor	856,612	833,214	23,398	884,912
Facility Management				
Personal services	270,934	281,087	(10,153)	201,160
Contract services	280,526	268,641	11,885	251,030
Materials and supplies	194,200	213,248	(19,048)	215,297
Total Facility Management	745,660	762,976	(17,316)	667,487
Board of Equalization				
Personal services	8,612	10,349	(1,737)	16,335
Contract services	8,950	5,131	3,819	7,618
Materials and supplies	500	324	176	0
Total Board of Equalization	18,062	15,804	2,258	23,953
Total General Government	3,019,099	3,000,293	18,806	2,985,206

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Judicial				
Superior Court				
Personal services	$ 102,844	$ 107,309	$ (4,465)	$ 102,130
Contract services	236,600	239,851	(3,251)	246,529
Materials and supplies	38,851	39,381	(530)	39,565
Total Superior Court	378,295	386,541	(8,246)	388,224
Clerk of Superior Court				
Personal services	521,353	467,932	53,421	492,184
Contract services	52,100	57,452	(5,352)	51,540
Materials and supplies	54,331	44,391	9,940	56,413
Total Clerk of Superior Court	627,784	569,775	58,009	600,137
District Attorney				
Personal services	360,799	394,990	(34,191)	352,702
Contract services	5,000	5,259	(259)	5,368
Materials and supplies	41,000	46,376	(5,376)	43,640
Total District Attorney	406,799	446,625	(39,826)	401,710
Magistrate Court				
Personal services	238,283	231,469	6,814	229,141
Contract services	15,000	14,715	285	13,080
Materials and supplies	10,000	7,771	2,229	8,622
Total Magistrate Court	263,283	253,955	9,328	250,843
Probate Court				
Personal services	299,867	275,739	24,128	286,939
Contract services	44,925	44,906	19	44,474
Materials and supplies	29,000	27,936	1,064	27,964
Total Probate Court	373,792	348,581	25,211	359,377
Juvenile Court				
Personal services	212,780	211,355	1,425	207,134
Contract services	73,323	54,244	19,079	49,592
Materials and supplies	18,417	18,083	334	18,083
Total Juvenile Court	304,520	283,682	20,838	274,809
Public Defender				
Contract services	50,623	58,839	(8,216)	41,291
Materials and supplies	7,400	7,026	374	6,652
Payments to other agencies	215,863	191,063	24,800	189,984
Total Public Defender	273,886	256,928	16,958	237,927
Total Judicial	2,628,359	2,546,087	82,272	2,513,027

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Public Safety				
Sheriff				
Personal services	$ 2,808,494	$ 3,188,067	$ (379,573)	$ 2,994,720
Contract services	398,900	445,843	(46,943)	431,159
Materials and supplies	302,000	302,677	(677)	335,593
Total Sheriff	3,509,394	3,936,587	(427,193)	3,761,472
Detention Center				
Personal services	1,352,033	1,623,362	(271,329)	1,488,150
Contract services	434,600	510,501	(75,901)	449,758
Materials and supplies	291,000	355,016	(64,016)	339,245
Capital outlay	0	9,295	(9,295)	0
Total Detention Center	2,077,633	2,498,174	(420,541)	2,277,153
Probation				
Personal services	100,084	93,431	6,653	4,530
Contract services	14,973	9,020	5,953	665
Materials and supplies	700	890	(190)	119
Total Probation	115,757	103,341	12,416	5,314
Appalachian DTF				
Contract services	45,000	3,136	41,864	40,703
Fire				
Personal services	2,786,841	3,057,419	(270,578)	3,014,792
Contract services	493,203	455,436	37,767	419,116
Materials and supplies	303,000	322,897	(19,897)	343,222
Payments to others	19,900	18,316	1,584	20,143
Total Fire	3,602,944	3,854,068	(251,124)	3,797,273
Coroner				
Personal services	48,195	51,960	(3,765)	51,370
Contract services	15,528	9,537	5,991	14,546
Materials and supplies	2,500	3,240	(740)	2,461
Total Coroner	66,223	64,737	1,486	68,377
Emergency Management				
Personal services	81,892	75,134	6,758	77,406
Contract services	50,200	17,555	32,645	17,970
Materials and supplies	11,600	40,553	(28,953)	11,570
Total Emergency Management	143,692	133,242	10,450	106,946
Animal Control				
Personal services	194,075	200,676	(6,601)	183,522
Contract services	24,300	36,867	(12,567)	13,343
Materials and supplies	58,700	73,720	(15,020)	126,744
Total Animal Control	277,075	311,263	(34,188)	323,609
Total Public Safety	9,837,718	10,904,548	(1,066,830)	10,380,847

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Public Works				
Road Department				
Personal services	$ 1,142,951	$ 1,098,644	$ 44,307	$ 979,896
Contract services	229,800	237,370	(7,570)	175,122
Materials and supplies	535,000	373,563	161,437	378,089
Payments to others	0	0	0	1,309
Total Road Department	1,907,751	1,709,577	198,174	1,534,416
Landfill				
Personal services	348,645	368,144	(19,499)	320,265
Contract services	492,350	590,703	(98,353)	493,695
Total Landfill	840,995	958,847	(117,852)	813,960
Maintenance Shop				
Personal services	140,797	142,187	(1,390)	154,167
Contract services	7,600	14,433	(6,833)	2,920
Materials and supplies	63,100	43,385	19,715	48,285
Total Maintenance Shop	211,497	200,005	11,492	205,372
Airport				
Personal services	55,721	50,458	5,263	56,714
Contract services	31,600	35,122	(3,522)	19,060
Materials and supplies	29,200	21,624	7,576	22,179
Total Airport	116,521	107,204	9,317	97,953
Total Public Works	3,076,764	2,975,633	101,131	2,651,701
Health and Welfare				
Health Department				
Contract services	7,655	4,814	2,841	6,873
Materials and supplies	12,400	11,672	728	11,793
Payments to others	147,092	147,092	0	147,092
Total Health Department	167,147	163,578	3,569	165,758
Bus Transportation				
Contract services	135,900	85,699	50,201	113,266
DFACS				
Payments to others	18,000	18,000	0	18,000
Family Connection				
Personal services	0	75,085	(75,085)	1,698
Contract services	0	1,462	(1,462)	576
Total Family Connection	0	76,547	(76,547)	2,274
Total Health and Welfare	321,047	343,824	(22,777)	299,298

GILMER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the year ended December 31, 2019
(with comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Culture and Recreation				
Parks and Recreation				
Personal services	$ 376,910	$ 306,236	$ 70,674	$ 331,209
Contract services	102,000	113,110	(11,110)	91,966
Materials and supplies	191,500	170,812	20,688	167,973
Capital outlay	25,000	0	25,000	0
Total Parks and Recreation	695,410	590,158	105,252	591,148
Libraries				
Contract services	2,940	2,837	103	18,693
Materials and supplies	37,750	39,732	(1,982)	37,407
Payments to others	284,850	284,850	0	264,000
Total Libraries	325,540	327,419	(1,879)	320,100
Civic Center				
Contract services	4,000	949	3,051	2,077
Materials and supplies	29,100	11,390	17,710	50,297
Total Civic Center	33,100	12,339	20,761	52,374
Total Culture and Recreation	1,054,050	929,916	124,134	963,622
Housing and Development				
Planning and Zoning				
Personal services	327,928	281,311	46,617	261,099
Contract services	42,900	43,432	(532)	41,934
Materials and supplies	13,250	13,889	(639)	13,423
Total Planning and Zoning	384,078	338,632	45,446	316,456
Code Enforcement				
Personal services	74,239	93,936	(19,697)	76,720
Contract services	15,200	6,588	8,612	6,808
Materials and supplies	2,600	2,442	158	2,204
Total Code Enforcement	92,039	102,966	(10,927)	85,732
County Agent				
Personal services	43,527	40,312	3,215	43,011
Contract services	9,720	6,867	2,853	5,647
Materials and supplies	3,500	2,997	503	3,257
Total County Agent	56,747	50,176	6,571	51,915
Joint Development Authority				
Payments to others	90,000	90,000	0	90,000
Total Housing and Development	622,864	581,774	41,090	544,103
Total Current	20,559,901	21,282,075	(722,174)	20,337,804
Debt Service				
General Government				
Board of Commissioners	24,997	39,325	(14,328)	18,245
Total Expenditures	$ 20,584,898	$ 21,321,400	$ (736,502)	$ 20,356,049

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, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 243,029	$ 139,519
Accounts receivable	48,142	42,705
Due from other funds	0	35
Total assets	$ 291,171	$ 182,259
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 10,370	$ 2,652
Accrued salaries and payroll liabilities	30,361	23,908
Due to other funds	87	1,635
Total liabilities	40,818	28,195
Fund balances		
Restricted for Public Safety	250,353	154,064
Total liabilities and fund balances	$ 291,171	$ 182,259

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, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 462,000	$ 569,340	$ 107,340	$ 478,853
Interest	500	1,060	560	626
Other	50	0	(50)	0
Total revenues	462,550	570,400	107,850	479,479
EXPENDITURES				
Current				
Public Safety				
Personal services	764,577	822,218	(57,641)	805,254
Contract services	123,700	131,669	(7,969)	115,004
Supplies	15,500	12,530	2,970	11,986
Total expenditures	903,777	966,417	(62,640)	932,244
Excess (deficiency) of revenues over (under) expenditures	(441,227)	(396,017)	45,210	(452,765)
Other financing sources (uses)				
Transfers in	441,227	492,306	51,079	538,801
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	96,289	96,289	86,036
Fund balance, January 1	0	154,064	154,064	68,028
Fund balances, December 31	$ 0	$ 250,353	$ 250,353	$ 154,064

GILMER COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2019 and 2018

ASSETS	**2019**	**2018**
Taxes receivable	$ 87,786	$ 69,412
Due from other funds	31,079	24,636
Total assets	$ 118,865	$ 94,048
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 118,865	$ 94,048

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, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	$ 783,643	$ 783,643	$ 0	$ 681,776
EXPENDITURES				
Current				
Housing and Development				
Payments to others	548,550	548,550	0	477,243
Total expenditures	548,550	548,550	0	477,243
Excess (deficiency) of revenues over (under) expenditures	235,093	235,093	0	204,533
Other financing sources (uses)				
Transfers out	(235,093)	(235,093)	0	(204,533)
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, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 96,161	$ 200,555
Intergovernmental receivable	394,647	0
Total assets	$ 490,808	$ 200,555
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 229,107	$ 0
Retainages payable	101,170	0
Unearned revenue	58,078	162,327
Due to other funds	2,482	38,228
Total liabilities	390,837	200,555
Fund balances		
Restricted for Public Works	99,971	0
Total liabilities and fund balances	$ 490,808	$ 200,555

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, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 1,703,213	$ 1,767,171	$ 63,958	$ 157,380
Interest	881	1,146	265	1,551
Total revenues	1,704,094	1,768,317	64,223	158,931
EXPENDITURES				
Current				
Public Works				
Capital outlay	1,593,964	1,593,964	0	21,832
Culture and Recreation				
Contract services	45,723	45,722	1	72,378
Capital outlay	28,661	28,660	1	87,420
Total expenditures	1,668,348	1,668,346	2	181,630
Excess (deficiency) of revenues over (under) expenditures	35,746	99,971	64,225	(22,699)
Other financing sources (uses)				
Transfers in	0	0	0	7,527
Contingency	(35,746)	0	35,746	0
Total other financing sources (uses)	(35,746)	0	35,746	7,527
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	99,971	99,971	(15,172)
Fund balance, January 1	0	0	0	15,172
Fund balances, December 31	$ 0	$ 99,971	$ 99,971	$ 0

GILMER COUNTY, GEORGIA
FEMA GRANT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 38,594	$ 13,091
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 2,115	$ 0
Due to other funds	16,000	6,191
Total liabilities	18,115	6,191
Fund balances		
Restricted for Public Works	20,479	6,900
Total liabilities and fund balances	$ 38,594	$ 13,091

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, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 40,260	$ 40,260	$ 0	$ 0
Interest	61	61	0	111
Total revenues	40,321	40,321	0	111
EXPENDITURES				
Current				
Public Works				
Contract services	26,742	26,742	0	8,875
Excess (deficiency) of revenues over (under) expenditures	13,579	13,579	0	(8,764)
Other financing sources (uses)				
Contingency	(13,579)	0	13,579	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	13,579	13,579	(8,764)
Fund balance, January 1	0	6,900	6,900	15,664
Fund balances, December 31	$ 0	$ 20,479	$ 20,479	$ 6,900

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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, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 2,988,438	$ 2,857,379
Taxes receivable, net	209,017	212,099
Due from other funds	0	48,409
Restricted assets		
Cash and cash equivalents	274	153
Total assets	$ 3,197,729	$ 3,118,040
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Deferred inflows of resources		
Unavailable revenue - property taxes	$ 59,718	$ 70,776
Fund balances		
Restricted for debt service	3,138,011	3,047,264
Total liabilities, deferred inflows of resources, and fund balances	$ 3,197,729	$ 3,118,040

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, 2019
(With comparative actual amounts for the year ended December 31, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 2,177,439	$ 2,177,439	$ 0	$ 2,068,621
Charges for services	61,776	61,776	0	91,404
Interest	11,730	11,731	1	12,039
Total revenues	2,250,945	2,250,946	1	2,172,064
EXPENDITURES				
Debt service	2,160,199	2,160,199	0	2,151,559
Excess (deficiency) of revenues over (under) expenditures	90,746	90,747	1	20,505
Other financing sources (uses) Contingency	(90,746)	0	90,746	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	90,747	90,747	20,505
Fund balances, January 1	0	3,047,264	3,047,264	3,026,759
Fund balances, December 31	$ 0	$ 3,138,011	$ 3,138,011	$ 3,047,264

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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, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 7,434	$ 409
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for capital outlay	$ 7,434	$ 409

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, 2019 and 2018

REVENUES	**2019**	**2018**
Interest	$ 90	$ 43
Other	6,815	0
Total revenues	6,905	43
EXPENDITURES		
Debt Service		
Public Works		
Road Department	2,155,334	1,760,863
Excess (deficiency) of revenues over (under) expenditures	(2,148,429)	(1,760,820)
Other financing sources (uses)		
Transfers in	1,871,467	1,760,549
Payment to refunded bond escrow agent	(12,723,539)	0
Proceeds of refunding bonds	13,007,526	0
Total other financing sources (uses)	2,155,454	1,760,549
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	7,025	(271)
Fund balances, January 1	409	680
Fund balances, December 31	$ 7,434	$ 409

GILMER COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX 2014
COMPARATIVE BALANCE SHEETS
December 31, 2019 and 2018

ASSETS	**2019**	**2018**
Cash and cash equivalents	$ 5,061,438	$ 3,802,325
Due from other funds	0	425,902
Taxes receivable, net	434,482	412,598
Total assets	$ 5,495,920	$ 4,640,825
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 102,048	$ 73,752
Intergovernmental payable	33,238	61,493
Due to other funds	1,047	71,812
Total liabilities	136,333	207,057
Fund balances		
Restricted for capital outlay	5,359,587	4,433,768
Total liabilities and fund balances	$ 5,495,920	$ 4,640,825

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, 2019 and 2018

	2019	2018
REVENUES		
Taxes	$ 4,868,833	$ 4,427,713
Intergovernmental	684,004	667,482
Interest	28,791	24,763
Total revenues	5,581,628	5,119,958
EXPENDITURES		
Capital Outlay		
General Government	192,055	95,078
Judicial	9,831	0
Public Safety	537,515	1,023,900
Public Works	1,303,055	1,333,663
Health and Welfare	17,468	0
Culture and Recreation	48,569	179,272
Housing and Development	93,819	2,537
Debt Service		
General Government	18,389	7,848
Public Safety	215,420	216,654
Public Works	0	2,126
Housing and Development	22,173	7,916
Intergovernmental	372,466	338,720
Total expenditures	2,830,760	3,207,714
Excess (deficiency) of revenues over (under) expenditures	2,750,868	1,912,244
Other financing sources (uses)		
Transfers in	0	1,742
Transfers out	(1,948,923)	(1,857,842)
Proceeds from capital leases	123,874	189,356
Total other financing sources (uses)	(1,825,049)	(1,666,744)
Excess (deficiency) of revenues and other financing source over (under) expenditures and other financing uses	925,819	245,500
Fund balances, January 1	4,433,768	4,188,268
Fund balances, December 31	$ 5,359,587	$ 4,433,768

GILMER COUNTY, GEORGIA
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
December 31, 2019 and 2018

ASSETS	**2019**	**2018**
Prepaids	$ 199,299	$ 198,004
Due from other funds	261,906	261,906
Total assets	$ 461,205	$ 459,910
LIABILITIES AND FUND BALANCES		
Fund balances		
Nonspendable:		
Prepaids	$ 199,299	$ 198,004
Restricted for capital outlay	261,906	261,906
Total fund balances	$ 461,205	$ 459,910

GILMER COUNTY, GEORGIA
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the years ended December 31, 2019 and 2018

	2019	2018
REVENUES		
Interest	$ 1,295	$ 1
EXPENDITURES		
Capital Outlay		
Public Works		
Road Department	0	94,521
Total expenditures	0	94,521
Excess (deficiency) of revenues over (under) expenditures	1,295	(94,520)
Other financing sources (uses)		
Transfers out	0	(142)
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	1,295	(94,662)
Fund balances, January 1	459,910	554,572
Fund balances, December 31	$ 461,205	$ 459,910

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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, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	$ 255,990	$ 36,630
Accounts receivable	729	622
Due from other funds	1,047	52,974
Total current assets	257,766	90,226
Capital assets		
Land	310,632	310,632
Construction in progress	40,429	0
Land improvements	30,486	30,486
Infrastructure	52,418	52,418
Buildings	352,177	352,177
Machinery and equipment	418,275	418,275
Accumulated depreciation	(571,996)	(539,260)
Total capital assets (net of accumulated depreciation)	632,421	624,728
Total assets	890,187	714,954
LIABILITIES		
Current liabilities		
Accounts payable	12,860	11,001
Accrued salaries and other payroll liabilities	10,429	8,388
Compensated absences	15,734	11,542
Due to other funds	166,810	146,650
Total liabilities	205,833	177,581
NET POSITION		
Investment in capital assets	632,421	624,728
Unrestricted	51,933	(87,355)
Total net position	$ 684,354	$ 537,373

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, 2019 and 2018

OPERATING REVENUES	**2019**	**2018**
Charges for sales and services	$ 454,440	$ 391,195
Total operating revenues	454,440	391,195
OPERATING EXPENSES		
Costs of sales and services	224,252	235,465
Personal services	305,532	286,649
Depreciation	32,736	32,356
Total operating expenses	562,520	554,470
Operating income (loss)	(108,080)	(163,275)
Non-operating revenues (expenses)		
Interest revenue	851	379
Contributions	31,150	0
Total non-operating revenues (expenses)	32,001	379
Net income (loss) before transfers	(76,079)	(162,896)
Transfers in (out)		
Transfers in	223,060	178,517
Change in net position	146,981	15,621
Net position, January 1	537,373	521,752
Net position, December 31	$ 684,354	$ 537,373

GILMER COUNTY, GEORGIA
WHITE PATH GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the years ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from customers	$ 454,333	$ 390,907
Payments to suppliers	(222,393)	(234,494)
Payments to employees	(299,299)	(280,074)
Net cash provided (used) by operating activities	(67,359)	(123,661)
Cash flows from non-capital financing activities:		
Receipts from other funds	226,914	95,334
Payments to other funds	(30,000)	(32,323)
Net cash provided by non-capital financing activities	196,914	63,011
Cash flows from capital and related financing activities:		
Receipts from other funds	129,383	97,293
Acquisition of capital assets	(40,429)	(22,839)
Net cash provided by capital and related financing activities	88,954	74,454
Cash flows from investing activities:		
Interest received	851	379
Net increase (decrease) in cash and cash equivalents	219,360	14,183
Cash and cash equivalents, January 1	36,630	22,447
Cash and cash equivalents, December 31	$ 255,990	$ 36,630
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (108,080)	$ (163,275)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	32,736	32,356
(Increase) decrease in accounts receivable	(107)	(288)
Increase (decrease) in accounts payable	1,859	971
Increase (decrease) in accrued payroll liabilities	6,233	6,575
Total adjustments	40,721	39,614
Net cash provided (used) by operating activities	$ (67,359)	$ (123,661)

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, 2019

	Tax Commissioner	Magistrate Court
ASSETS		
Cash and cash equivalents	$ 657,265	$ 14,187
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 657,265	$ 14,187

Probate Court	Clerk of Superior Court	Inmate Escrow Fund	Totals
$ 34,091	$ 576,693	$ 66,129	$ 1,348,365
$ 34,091	$ 576,693	$ 66,129	$ 1,348,365

GILMER COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the year ended December 31, 2019

	Balance January 1	Additions	Deletions	Balance December 31
TAX COMMISSIONER				
ASSETS				
Cash and cash equivalents	$ 790,262	$ 37,740,653	$ 37,873,650	$ 657,265
LIABILITIES				
Due to others	$ 790,262	$ 37,740,653	$ 37,873,650	$ 657,265
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	$ 9,267	$ 189,937	$ 185,017	$ 14,187
LIABILITIES				
Due to others	$ 9,267	$ 189,937	$ 185,017	$ 14,187
PROBATE COURT				
ASSETS				
Cash and cash equivalents	$ 40,172	$ 340,190	$ 346,271	$ 34,091
LIABILITIES				
Due to others	$ 40,172	$ 340,190	$ 346,271	$ 34,091
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and cash equivalents	$ 372,830	$ 1,690,122	$ 1,486,259	$ 576,693
LIABILITIES				
Due to others	$ 372,830	$ 1,690,122	$ 1,486,259	$ 576,693
INMATE ESCROW FUND				
ASSETS				
Cash and cash equivalents	$ 66,255	$ 909,022	$ 909,148	$ 66,129
LIABILITIES				
Due to others	$ 66,255	$ 909,022	$ 909,148	$ 66,129
TOTALS				
ALL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 1,278,786	$ 40,869,924	$ 40,800,345	$ 1,348,365
LIABILITIES				
Due to others	$ 1,278,786	$ 40,869,924	$ 40,800,345	$ 1,348,365

OTHER REPORTING SECTION

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SINGLE AUDIT SECTION

This section contains reports required by Uniform Guidance and grantor agencies.

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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, 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, 2019, and the related notes to the financial statements, which collectively comprise Gilmer County, Georgia's basic financial statements and have issued our report thereon dated June 1, 2020. 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 were 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 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, 2019, 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 of this section 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 that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2019-001 through 2019-003 that we consider to be significant deficiencies.

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 grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, described in the accompanying schedule of findings and questioned costs as item 2019-004.

Gilmer County, Georgia's Responses to Findings

Gilmer County, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Gilmer County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

This report is intended 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 Gilmer County, Georgia's internal control over compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
June 1, 2020

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

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

Report on Compliance for Each Major Federal Program

We have audited Gilmer County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Gilmer County, Georgia's major federal programs for the year ended December 31, 2019. Gilmer County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Gilmer County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Gilmer County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Gilmer County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Gilmer County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of Gilmer County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Gilmer County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Gilmer County, Georgia's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants
Gainesville, Georgia
June 1, 2020

GILMER COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
Department of Agriculture			
Forest Service Schools and Roads Cluster			
Schools and Roads - Grants to States	10.665	N/A	$ 40,634
Department of the Interior			
Passed through the Office of the State Treasurer			
Payments in Lieu of Taxes	15.226	FY2019	127,577
Department of Justice			
State Criminal Alien Assistance Program	16.606	N/A	7,617
Department of Transportation			
Passed through the Georgia Department of Transportation:			
Airport Improvement Program	20.106	AP017-9029-16(123)	2,435
		AP019-9036-17(123)	1,449,606
Total Department of Transportation			1,452,041
Department of Homeland Security			
Passed through the Georgia Emergency Management Agency (GEMA):			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	GEMA-4259-DR-GA	40,260
Emergency Management Performance Grants	97.042	2019 PPA	19,928
Total Department of Homeland Security			60,188
Total Federal Awards			$ 1,688,057

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

GILMER COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2019

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Gilmer County, Georgia, under programs for the federal government for the year ended December 31, 2019. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Indirect Cost Rate

Gilmer County, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

4. Payments to Subrecipients

For the current year, Gilmer County, Georgia did not pass federal funds through to subrecipients.

GILMER COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended December 31, 2019

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	Yes

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported
Identification of major programs:	
20.106 Airport Improvement Program	
Dollar threshold used to distinguish Between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	No

2. Financial Statement Findings and Responses

A. Current Year Audit Findings

Comment 2019-001

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 2019-002

Condition: While performing audit procedures at the Magistrate Court, 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: Magistrate Court 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 will advise the appropriate Elected Officials to implement the recommendation. This action was taken immediately upon receipt of the comment from our auditors.

2. Financial Statement Findings and Responses (continued)

A. Current Year Audit Findings, continued

Comment 2019-003

Condition: While performing procedures at the Clerk of Court, we noted that e-file receipts were unable to be traced to the daily reports and bank statement deposits.

Criteria: Proper internal controls require that daily receipts be reconciled to the daily ledger and a trail of documentation maintained.

Effect: Failure to reconcile daily receipts exposes the County to greater risk of loss and may lead to management decisions based on incorrect information.

Cause: Clerk of Court staff is not reconciling e-file receipts and maintaining documentation.

Recommendation: At a minimum, receipts should be reconciled on a weekly basis and documentation maintained.

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

Comment 2019-004

Condition: The County experienced a material excess of expenditures over appropriations in the General Fund and Emergency 911 Telephone Services Fund.

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

Effect: Failure to maintain expenditures within the balanced budget will place the County in violation of state law.

Cause: The County did not appropriate expenditures in compliance with the adopted budget in the General Fund and Emergency 911 Telephone Services Fund.

Recommendation: Management should ensure that budget to actual comparisons are performed periodically and budgets should be amended as needed to ensure that the County remains in compliance with state law. This will assist management with budgetary decisions throughout the fiscal year.

Management Response: Management concurs with this finding. Management will ensure that the budget to actual comparisons are performed periodically and recommend any necessary budget revisions to the Board of Commissioners. This action was implemented immediately upon receipt of the comment from our auditors.

2. Financial Statement Findings and Responses (continued)

B. Prior Year Audit Findings Follow-Ups

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.

Not corrected

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.

Corrected

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.

Corrected

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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, 2019

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	5,255,900		5,255,900
Landfill/Solid Waste	5,400,000	5,400,000	192,852	0	192,852
Total	$ 20,000,000	$ 33,974,958	$ 38,919,613	$ 0	$ 38,919,613
Current year expenditures for 2003 Referendum				$ 0	
Expenditures financed through other revenues and transfers from other funds for New Courthouse				2,155,334	
Total expenditures of the SPLOST 2003 Capital Projects Fund				$ 2,155,334	
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 for Debt Service				2,160,199	
Total expenditures of the Debt Service SPLOST Fund				$ 2,160,199	

GILMER COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the year ended December 31, 2019

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	$ 10,920,788	$ 3,599,340	$ 14,520,128
City of Ellijay	1,287,000	1,287,000	928,471	278,497	1,206,968
City of East Ellijay	434,250	434,250	313,467	93,968	407,435
	$ 22,500,000	$ 22,500,000	$ 12,162,726	$ 3,971,805	$ 16,134,531

Current year expenditures for 2014 Referendum	$ 3,971,805
Expenditures financed by other revenue sources and capital lease proceeds for vehicles and equipment for various County departments and other County infrastructure.	807,878
Total expenditures and transfers out of the SPLOST 2014 Fund	$ 4,779,683

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