Comprehensive Annual Financial Report
Year Ended December 31, 2013
Jackson County, Georgia



Prepared by: The Office of Financial Administration

JACKSON COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED December 31, 2013

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JACKSON COUNTY
BOARD OF COMMISSIONERS

67 ATHENS STREET • JEFFERSON, GEORGIA 30549 • 706-367-6312

Tom Crow
Chairman

Jim Hix
District 1

Chas Hardy
District 2

Bruce Yates
District 3

Dwain Smith
District 4

August 22, 2014

The Honorable Tom Crow, Chairman,
Members of the Board of Commissioners, and
The Citizens of Jackson County Georgia

The Official Code of Georgia as Amended (OCGA) requires that county governments publish, within six months of the end of each of their fiscal years, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Jackson County, Georgia (the "County") for the fiscal year ended December 31, 2013.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and responsibility of all the information presented in this CAFR. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should *not* outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The County's financial statements have been audited by Bates, Carter & Co., LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2013 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended December 31, 2013, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this CAFR.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to assure compliance with applicable laws and regulations related to those programs. Thus internal controls are subject to periodic evaluation by management.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. In 2003, the County adopted the new reporting model required by GASB Statement No. 34 (GASB # 34). As part of the requirements contained in GASB # 34, management is to present a narrative introduction, overview and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A is found directly following the independent auditor's opinion in the financial section of this CAFR.

Geographical and Economic Profile of the County

Jackson County is located on the upper fringes of the Piedmont Plateau in northeastern Georgia. The City of Jefferson serves as the County Seat, and is located approximately five miles off of U.S. Interstate Highway 85 (I-85). I-85 runs from southwest to northeast from Montgomery, Alabama to its confluence with I-95 in Richmond, Virginia. The City of Atlanta is less than one hour's travel time along I-85 from most sections of the County. Jefferson is about 20 miles from Athens, which is the home of the state's flagship institution of higher learning, the University of Georgia.

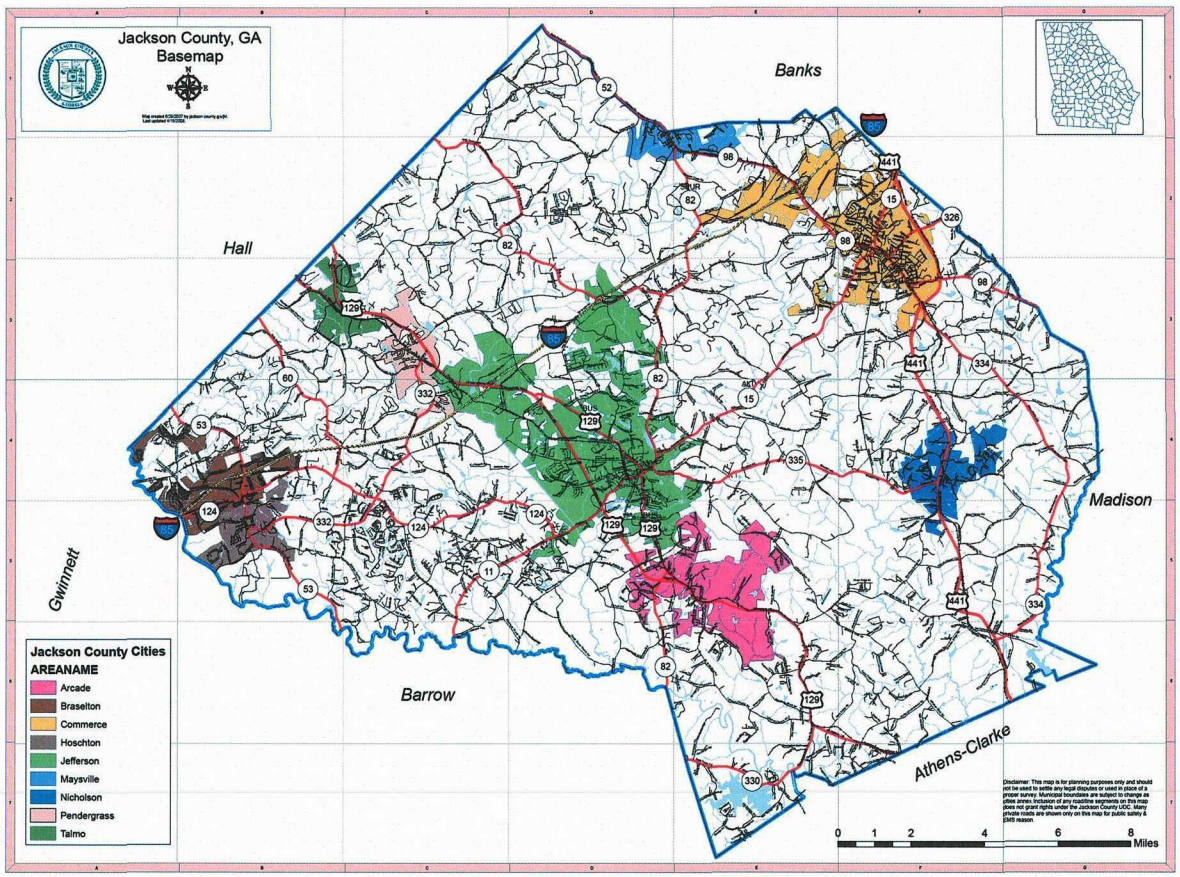
With the close proximity of I-85, and other major highways and railways, the County has become home to several large distribution and manufacturing facilities and continues to attract quality economic development because of the location and available workforce. Among these businesses are Haverty's Furniture, Bed, Bath, & Beyond, Carter's and Safelite near Braselton, Toyota Industries of North America, Denso Corporation facilities near Pendergrass, and The Kubota Corporation, Tiger Direct, Aldi, and Whole Foods in Jefferson. The City of Commerce has several major retail outlet malls along the I-85 corridor which provide employment and sales tax revenues to the County. U.S. Highway 441, which runs north and south from Knoxville, Tennessee to the state of Florida, also runs through Commerce, giving it ready access from virtually any point within the four-state area of Tennessee, North Carolina, South Carolina and Georgia. Commerce is served by the Norfolk Southern and CSX rail lines.

Despite the downturn in the economy, Jackson County has led the State of Georgia the past few years in economic growth in the creation of private-sector jobs. In the past couple of years, there have been several new construction and expansion of industrial projects in the county. Tiger Direct, a Systemax Company, opened a combination distribution center and retail outlet in Jefferson. The Aldi Corporation recently completed construction of a $40 million distribution center. Additionally, Jackson County has become home to more major national and international companies such as Safelite Auto Glass in Braselton. Perhaps the biggest announcements for future industrial development have come from Bed, Bath, & Beyond and Carter's Apparel who have opened e-fulfillment centers in Braselton in 2012 and 2013 respectively, Kubota tractor manufacturer just completed its expansion of its operations with an $80 million facility improvement, and largest of all, Toyota Automotive Compressor Group who has completed a $350 million plant expansion. In total, these four companies promise over 2,000 new jobs and a combined half billion dollars in new development.

Highlighting the expanded job opportunities is the fact that over 60% of new economic development projects are in the manufacturing sector as opposed to 75-80% distribution just three years before. There are signs that the economic outlook for 2014 for industrial development is just as promising with several major interested prospects and announcements such as Ollie's which will locate a regional distribution center in Commerce. Retail growth has been relatively slow for Jackson County but the county also has some major retail prospects seeking sites. Most of the new retailers were small businesses not associated with major chains but were welcomed by the community as an integral part of the commercial/retail dynamic in the County. Jackson County has continued to sustain many of its locally-owned and national chain restaurants throughout 2013. There were less numbers of business closings and layoffs in the past year, and Jackson County still saw positive growth in terms of population and business. This trend is expected to continue in 2014. Unemployment declined significantly in 2013 to 6.4%.

The official 2010 Census places the growth rate at 45.4% since 2000 with an official population of 60,485. The official Census population estimate for Jackson County as of July 1, 2013 is 61,044. Despite this growth, the County has managed to balance a rural atmosphere with the suburban character of business and residential developments. Land use studies show the County's area is about 40% commercial, 40% residential and 20% agricultural. The County has been able to avoid some of the pitfalls of rapid growth through wise planning and management of its resources. Although the fallout from the home building bust has left many neighborhood subdivision developments incomplete, the County has implemented a way for these subdivisions to be brought back up to code for new building through use of Special Taxing Districts. There continues to be constant and growing demands for additional County services. The County school system, as well as the City school systems of Commerce and Jefferson, are acutely feeling the pains of growth even today. Highlighting this continued growth are much improved housing market data and forecasts that show while growth remained slow, there is positive developed lot absorption and a decline in finished housing inventory. Residential permits have seen substantial increases in 2013 and are looking even stronger in the first quarter of 2014.

The Jackson County Airport has now been upgraded to a Category Two Airport Facility to accommodate corporate and general aviation traffic as a boost to economic development. Construction has been completed on the main runway extension to 5,000 feet, which enables most corporate and private aircraft to use the facility. The runway extension project was completed in late 2009 with small peripheral improvements made during 2010. Throughout 2013 and moving into 2014, the airport is striving to improve services to match the demand required from the major expansion project. A new airport manager took over operation in 2013 and is in the process of overseeing several projects such as airport security fencing. The airport offers the region's most competitive fuel pricing. It has also become a hub of activity for the racing community with NASCAR affiliated Gresham Motorsports Park just across the runway, Atlanta Dragway, home of the NHRA Grand Nationals, in Commerce, and Road Atlanta, Home of the World Class Petit Lemans, in nearby Braselton. The Airport is less than five miles off of I-85 and is located near Jefferson. In addition, Atlanta's Hartsfield-Jackson International Airport, which serves virtually all major U.S. and international airlines, is within 1½ hours of the County.



Jackson County, Georgia

Municipalities of the County

The County has nine incorporated municipalities, which compose approximately 40% of the County's population according to the official 2010 U.S Census. The municipalities are Commerce (6,544), Jefferson (9,432), Arcade (1,786), Nicholson (1,696), Hoschton (1,377), Braselton (part) (1,763), Maysville (part) (872), Talmo (180) and Pendergrass (422). Parts of the Town of Braselton are located in four different counties, while parts of the City of Maysville are located in both Jackson and Banks Counties. The City of Commerce provides full municipal services including electricity, gas, fire, water and sewerage. Hoschton and Braselton offer water and sewerage services.

School Systems

The County has a county-wide school system as well as two city school systems. The Jackson County School System operates elementary and middle schools in various parts of the County, and two high schools, the Jackson County Comprehensive High School and the East Jackson High School. The Commerce City School System and the Jefferson City School System are operated as component units of their respective municipalities. The Jackson County School System is fiscally independent of the County BOC and, consequently, its financial statements are separately issued and are not included within the County's financial statements.

Form of Government

The County operates under the commission/manager form of government. Four members of the Board of Commissioners (BOC) are elected from geographically distinct, single-member districts, while the chairman is elected at-large county-wide. The members serve four-year staggered terms. The BOC hires a county manager to serve as the administrative head of the county government. The manager in turn hires department heads and managers to implement BOC policies and to operate the various functions of county government.

Every four years citizens of the County elect persons to serve the constitutional offices of sheriff, clerk of superior court, tax commissioner, and probate court judge. Other elected officials include the magistrate court judge, solicitor general, district attorney, superior court judges and the state court judge.

County Services

The County provides a full range of services including law enforcement; construction and maintenance of highways, streets, bridges and other infrastructure; emergency services; recreational and cultural activities, limited transportation, and solid waste disposal. Fire protection (outside the municipalities which have full-time fire departments) is provided by nine volunteer fire departments which levy property taxes within their districts to fund their operations. Water and sewer services outside of the municipalities (which offer such services) are provided by a legally separate Water and Sewer Authority which has been included as a component unit in the County's financial statements. The County is also financially accountable for a legally separate Health Department and a legally separate Airport Authority, both of which are reported as component units of the County. Additional information on these component units may be found in Note 1 in the notes to the financial statements.

Financial and Budgetary Matters

The County maintains budgetary controls to ensure compliance with state law. The level of budgetary control is at the department/fund level, i.e., expenditures may not exceed the total for any department within a fund. Transfers of appropriations within a department shall require only approval of the Finance Director. Transfers between or among departments or funds or an increase in the overall appropriation for a department or fund shall require the approval of the BOC in accordance with the enabling legislation. Department heads and management personnel are directed to operate within budgetary limits to avoid "emergency" situations which would require supplementary appropriations.

Annual budgets are adopted on a basis consistent with GAAP for the general, special revenue funds, and debt service fund, and are integrated into the general ledgers of such funds. Project length budgets are adopted for Capital Projects Funds. The County's proprietary fund, the Solid Waste Fund, is budgeted for management and control purposes. No budget is prepared for the Mayfield Treatment Plant Proprietary Fund. Departments prepare, in conjunction with the Finance Department, revenue and expenditure estimates, as well as capital needs. These

budget requests are then reviewed by the BOC and the proposed budgets are presented at a public hearing as required by state law.

Capital Projects Recently Completed and for the Future

On March 15, 2005, the voters of Jackson County approved the continuation of a six-year Special Purpose Local Option Sales Tax (SPLOST). The special purpose tax was imposed July 1, 2005 and expired June 30, 2011. The tax yielded more than $53.2 million over the six-year period. The Special Purpose Local Option Sales Tax (SPLOST) was passed, in part, to pay for the construction of a new County Jail and to complete the construction of new Health Department Facilities in the City of Commerce.

On November 2, 2010, the voters approved another continuation of the SPLOST, this being SPLOST V. This revenue accounts for the financial resources provided from a six-year, one-cent special purpose local option sales tax for the purpose of resurfacing, paving, widening and repairing certain roads and bridges; expansions, renovations, developments of parks and recreations facilities, construction of emergency services facilities and equipment, and debt reduction on bonds used to build a new jail. In addition, over $13.7 million in funds will be provided to the various cities within Jackson County. Jackson County's SPLOST V has been estimated to collect $7,920,000 per year or $47,520,000 over the six-year period beginning on July 1, 2011 and expiring on June 30, 2017.

Renovation of Historic Courthouse

The Board of Commissioners has appropriated $2,000,000 for the restoration and renovation of the Historic Jackson County Courthouse that was constructed in 1879. Primary funding for this project comes from the issuance of 2007 Series "A" Revenue Bonds. Repayment of principal and interest on these bonds is to be paid through the Debt Service Fund.

A committee of Jackson County citizens has been appointed by the Board to assist with the restoration effort. At the end of 2010, exterior construction was completed. Additional funding from a variety of sources including grants will be utilized to complete the interior. Barker, Cunningham, Barrington, PC Architects was hired to prepare the restoration/renovation plans for the exterior of the Historic Courthouse. Interior construction commenced at the end of 2011 and will finish in 2014.

EMS Station #3

In 2012, construction commenced on a new state-of-the-art purpose-built EMS station in the West Jackson area on Highway 124 to replace a station that was currently a converted rental house. This station was completed in 2013. Funding for the station comes from residual SPLOST 4 Public Safety Funds and also a SPLOST 5 EMS fund at a total cost of approximately $1 million.

Other Notable Initiatives Within the County

- Issuer Credit Rating and Bonds: The County's general obligation bond rating has again been reaffirmed by Moody's Investors Service at "Aa2" on its $154 million of various outstanding bonds. This was done upon completion of a refunding of the County's un-refunded portion of the 2003 COPS, which financed the construction of the current county courthouse.

- Roads Paved: There were over 22.86 miles of roads resurfaced in FY 2008 and in FY 2009 the department resurfaced 7.2 miles of roadway. For FY 2010 the department resurfaced 8.0 miles of roadway. In FY 2011 the county resurfaced approximately 7.0 roadway miles. In 2012 the county resurfaced 20.18 miles of roadway utilizing a combination of SPLOST and State LMIG funds. In FY 2013 the county resurfaced another 19.24 miles. Currently, the county has 627.69 miles of road, 490.69 paved miles and 137 gravel miles. The county continues a road-paving program utilizing a combination of State aid such as LMIG and SPLOST funds.

Debt Management

The County continues to monitor all outstanding bond issues and market conditions. As a result, the County, on occasion, avails itself of refunding opportunities. On July 10, 2012, the County issued $9,145,000 of Series 2012A Revenue Refunding Bonds and $905,000 taxable Revenue Refunding Bonds to provide funds to partially advance refund the County's contract payable for the Industrial Development Authority's Series 2004 bonds related to economic development infrastructure projects. Series A matures in 2024 and Series B matures in 2015. The refunding reduced the aggregate debt service payments by $9,918,396.

The County pursued a partial refunding opportunity in connection with the un-refunded portion of the series 2003 Certificates of Participation (COPS) for the Courthouse. The refunding par amount was approximately $13,660,000 with a net issue premium of $441,841. The Net Present value saving was approximately $922,974.

Awards, Accomplishments and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the fiscal year ended December 31, 2012. This was the tenth consecutive year that the County has received this prestigious award. In order to be awarded the Certificate of Achievement, the County must publish an easily readable and efficiently organized CAFR which satisfies both GAAP and applicable legal requirements.

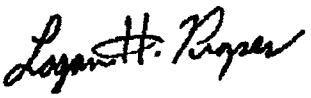
A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another Certificate of Achievement for the fiscal year ended December 31, 2013.

The preparation, design and publication of this CAFR represents a significant cooperative effort between the County's Finance Department and its independent auditor, Bates, Carter and Co., LLP, CPA's. Special thanks go to the various County departments and their directors for their assistance and their cooperation in contributing to the preparation of this CAFR. We would be remiss in our duty if we did not recognize the professional efforts of the Finance Department staff. Without their dedication and untiring efforts, the compilation of the CAFR would not have been possible.

Finally, and certainly not least, we wish to thank the members of the Board of Commissioners for their unfailing support for maintaining the highest professional expectations for the reports we produce, and for their continued support and direction in conducting the fiscal affairs of the County in a progressive and responsible manner.

Respectfully submitted,





Kevin C. Poe
County Manager

Logan H. Propes
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jackson County

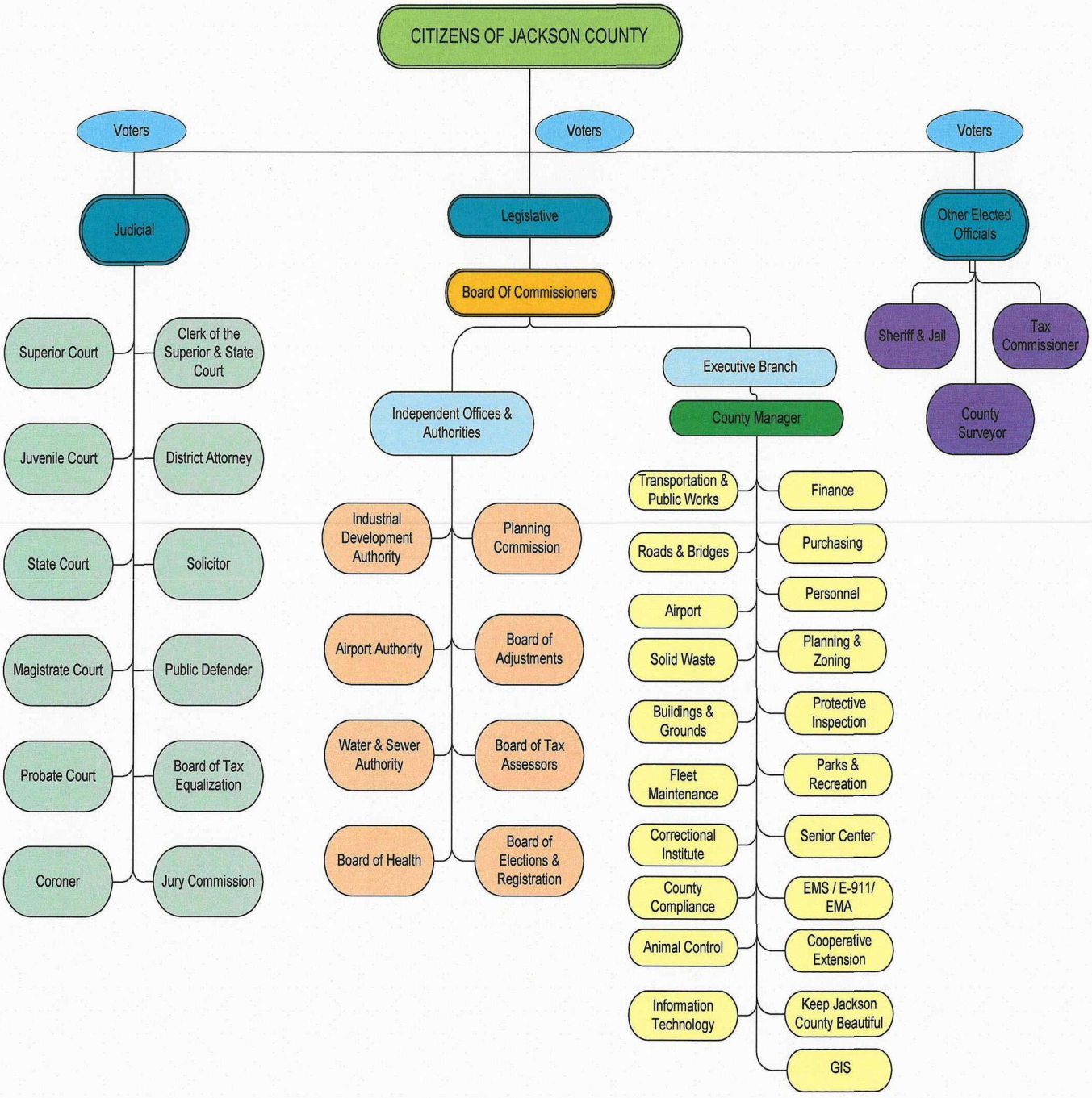
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

Jackson County Organizational Chart





Officials of
Jackson County

Year Ended December 31, 2013

BOARD OF COMMISSIONERS

COMMISSIONER	TERM
Tom Crow – Chairperson	January 2013 – December 2016
Jim Hix – District 1	January 2013 – December 2016
Chas Hardy – District 2	January 2013 – December 2016
Bruce Yates – District 3	January 2011 – December 2014
Dwain Smith – District 4	January 2011 – December 2014

ADMINISTRATION

Kevin Poe - County Manager

DEPARTMENT DIRECTORS

Logan Propes	**Finance**
Melanie Thomas	**Human Resources**
Len Bernat	**Purchasing**
Justin King	**Information Technology**
Ricky Sanders	**Parks & Recreation**
Gina Mitsdarffer	**Public Development**
Joel Logan	**GIS**
Steve Nichols	**Public Safety**
Valerie Thornton	**Chief Property Appraiser**
Tom Page	**Solid Waste**
Jeff Bridges	**Road Superintendent**
Johnny Weaver	**Correctional Institute**
Marty Rubio	**Maintenance Superintendent**
Donna Seagraves	**Public Defender**
Shirley Smith	**Senior Center**

JUDICIAL & OTHER ELECTED OFFICIALS

Camie Thomas	**Clerk of Court**
Brad Smith	**District Attorney**
Billy Chandler	**Magistrate Court Judge**
Sherry C. Moore	**Probate Court Judge**
Janis Mangum	**Sheriff**
Donald Moore	**Solicitor General**
Robert Alexander	**State Court Judge**
David Motes	**Superior Court Judge**
Wayne McLocklin	**Superior Court Judge**
Currie Mingledorff II	**Superior Court Judge**
Joseph Booth	**Superior Court Judge**
Don Elrod	**Tax Commissioner**
Keith Whitfield	**Coroner**

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INDEPENDENT AUDITORS' REPORT

August 22, 2014

To the Board of Commissioners
JACKSON COUNTY, GEORGIA
Jefferson, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of JACKSON COUNTY, GEORGIA, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the government's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Jackson County Health Department as of and for the year then ended December 31, 2013, which statements reflect total assets of $816,696 as of December 31, 2013, and total revenues of $1,186,603 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Jackson County Health Department is based on the report of the other auditors.

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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Jackson County Health Department as of and for the year then ended December 31, 2013, which statements reflect total assets of $816,696 as of December 31, 2013, and total revenues of $1,186,603 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Jackson County Health Department is based on the report of the other auditors.We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by

the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the JACKSON COUNTY, GEORGIA, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1 to the financial statements, the County changed its accounting method for estimating and accruing fines receivable. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Pension Funding Progress, Schedule of Other Post Retirement Benefits Funding Progress, Budgetary Comparison Schedule-General Fund listed in the table of contents 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 the JACKSON COUNTY, GEORGIA's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, Schedule of Projects Constructed with Special Sales Tax Proceeds, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates 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 supplementary information identified above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information identified above has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2014 on our consideration of the JACKSON COUNTY, GEORGIA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 JACKSON COUNTY, GEORGIA's internal control over financial reporting and compliance.

Baker, Carter & Co, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Jackson County's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the financial activities of Jackson County Government for the fiscal year that ended on December 31, 2013. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, and the County's basic financial statements and notes to the financial statements, to enhance their understanding of the activities and financial health of Jackson County.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the letter of transmittal and the basic financial statements.

FINANCIAL HIGHLIGHTS

The assets of Jackson County Government's governmental activities and business-type activities exceeded its liabilities at the close of the most recent fiscal year by $104.77 million. Of this amount, $9.41 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The primary government's total net assets increased by $(3.29) million during 2013. Governmental activities' net assets increased $(2.89) million during 2013. See the governmental-wide financial analysis below for reasons for this change. Business-type activities' net assets increased by $(0.40) million during 2013.

As of the close of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of $34.30 million, a decrease of $(0.73) million in comparison with the prior year. This decrease is, in part, attributable to activity within the capital projects and SPLOST funds. These funds have project length budgets and as a result have years where expenditures exceed revenues. For example, proceeds from revenue bonds, to advance fund projects, have been recorded in previous fiscal years and the related expenditures have been recorded in successive fiscal years.

Moreover, approximately 14.1% of the combined fund balances, $4.83 million, is considered unassigned and is available for spending at the government's discretion (unassigned fund balance).

At the end of the current fiscal year, unassigned fund balance for the general fund was $4.83 million or 16.93% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) basic financial statements, 3) required supplementary information, and 4) an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of Jackson County Government:

Government-wide Financial Statements: The government-wide financial statements provide a broad overview of both long-term and short-term information about the Jackson County Government's overall financial status in a manner similar to private-sector businesses. The statements include:

- A statement of net position presents the County's total assets and total liabilities, with the difference between the two reported as net position. Over time, the change in net position is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition. Additionally, when assessing the overall health of the County, additional consideration should be given to non-financial factors such as changes in the County's property tax base and the condition of the County's roads.

- A statement of activities presents information showing how the Government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the aforementioned government-wide financial statements identify the various functions of Jackson County Government's operations that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Jackson County, Georgia include general government, public safety, judicial system, public works, health and welfare, recreation and culture, housing and development, and interest. The business-type activities of Jackson County, Georgia, include the Solid Waste Disposal Facility and Mayfield Wastewater Treatment Plant.

The government-wide financial statements include not only Jackson County itself (known as the *primary government*), but also a legally separate health department, a legally separate airport authority, and a legally separate water and sewerage authority for which Jackson County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1-3 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Jackson County Government maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special purpose local option sales tax fund (SPLOST), debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Jackson County Government adopts an annual appropriated budget for its general fund, special revenue funds, and debt service fund. Project length budgets are adopted for the capital projects funds. A budgetary comparison schedule has been provided for the general fund, debt service fund, and special revenue funds to demonstrate compliance with the annual appropriated budget.

The basic governmental fund financial statements can be found on pages 4-8 of this report.

Proprietary Fund: Proprietary Fund statements offer short-term and long-term financial information about the two activities the County Government operates similar to a private business, such as the Jackson County Solid Waste Disposal Facility and Mayfield Treatment Plant and internal services funds which provide services to other departments of governmental units within the County on a cost-reimbursement basis. Because the services predominantly benefit governmental functions rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal facility and the Mayfield treatment plant operation, both of which are considered to be major funds of Jackson County. Conversely, the internal service fund is a single presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 9-11 of this report.

Fiduciary Funds: Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Agency funds, a type of Fiduciary Fund, are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The County maintains the following Agency funds: Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff.

The basic fiduciary fund financial statement can be found on page 12 of this report.

Notes to the financial statements: The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 15-65 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Jackson County Government's progress in funding its obligations to provide pension benefits to its employees and the budgetary comparison schedule for the General Fund.

Required supplementary information can be found on page 66-69 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 70-90 of this report.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The government-wide statements report information about Jackson County Government as a whole using accounting methods similar to those used by private sector companies.

Jackson County's, on an entity-wide basis, net assets increased during 2013 by $(3.29) million, of which $(2.89) million was from governmental activities and $(0.40) million was from business-type activities. At December 31, 2013, the County had $84.90 million invested in capital assets, net of related debt and accumulated depreciation and $10.5 million in restricted net assets. Unrestricted net assets as of December 31, 2013, equaled $9.41 million. The table below depicts the split of net assets between governmental and business-type activities.

The increase in governmental activities net assets, in part, is primarily attributable to an increase in both operating and capital grants and contributions. Specifically, donated infrastrustrure from developers increased $3.7 million from the prior year as result of a pick-up in economic growth. Operating grants were just slightly higher than the previous year.

JACKSON COUNTY, GEORGIA'S NET POSITION
DECEMBER 31, 2013
($ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2013	2012	2013	2012	2013	2012
Assets						
Current and other assets	$ 67,863	$ 69,146	$ (1,359)	$ (1,400)	$ 66,504	$ 67,746
Capital assets (net of depreciation)	185,747	190,963	2,216	2,287	187,963	193,250
TOTAL ASSETS	253,610	260,109	856	887	254,466	260,996
Total deferred outflows of resources	3,535	3,599	-	-	3,535	3,599
Liabilities:						
Long-term liabilities outstanding	126,306	129,003	939	621	127,245	129,624
Other liabilities	25,887	24,883	103	53	25,990	24,936
TOTAL LIABILITIES	152,193	153,886	1,042	674	153,235	154,560
Total deferred inflows of resources	-	1,721	-	-	-	1,721
Net position						
Net investment in capital assets	82,681	88,161	2,216	2,287	84,897	90,448
Restricted	10,456	13,640	-	-	10,456	13,640
Unrestricted	11,815	6,300	(2,402)	(2,074)	9,413	4,226
TOTAL NET POSITION	$ 104,952	$ 108,101	$ (186)	$ 213	$ 104,766	$ 108,314

Table may not add due to rounding

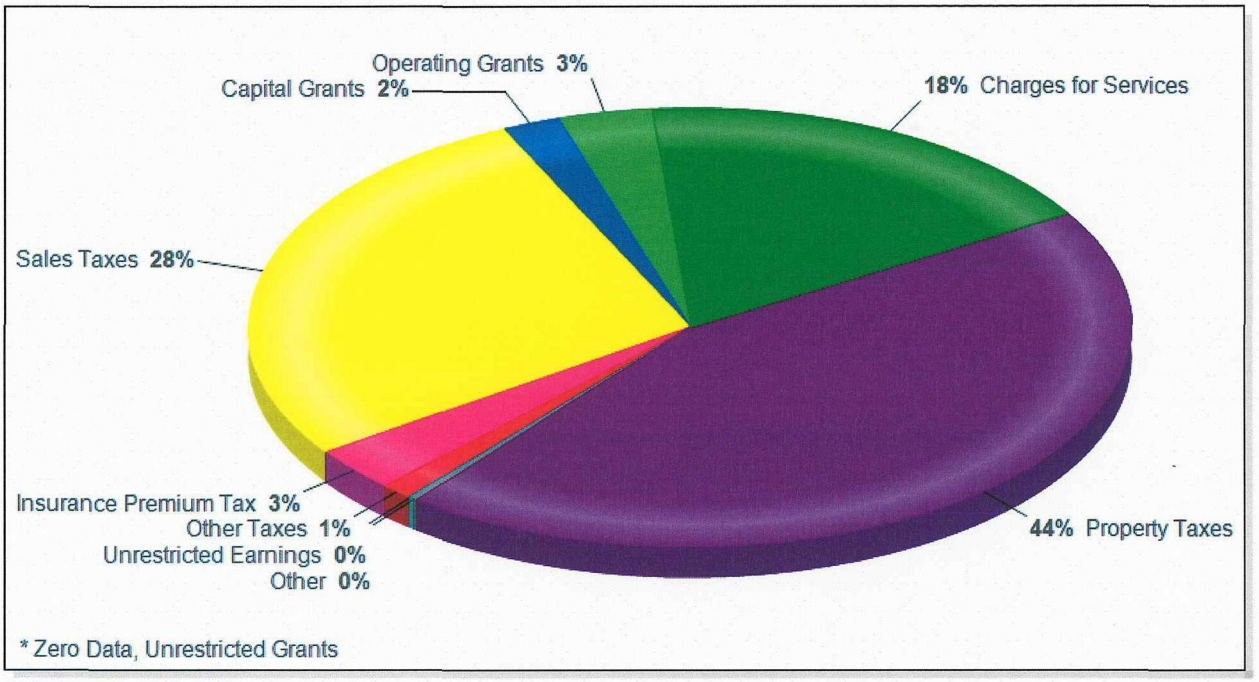
JACKSON COUNTY, GEORGIA'S CHANGES IN NET POSITION
DECEMBER 31, 2013

($ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
REVENUES						
Program revenues:	2013	2012	2013	2012	2013	2012
Charges for services	$ 9,331	$ 8,537	$ 1,046	$ 994	$ 10,377	$ 9,531
Operating grants and contributions	1,796	1,133	-	-	1,796	1,133
Capital grants and contributions	1,120	4,922	-	18	1,120	4,940
General Revenues:						
Property taxes	23,020	22,369	-	-	23,020	22,369
Sales taxes	14,416	14,907	-	-	14,416	14,907
Insurance premium tax	1,691	1,627	-	-	1,691	1,627
Other taxes	620	580	-	-	620	580
Unrestricted investment earnings	28	22	-	-	28	22
Other	30	145	-	-	30	145
TOTAL REVENUES	52,052	54,242	1,046	1,012	53,098	55,254
EXPENSES						
General Government	5,003	5,429	-	-	5,003	5,429
Judicial	3,733	3,591	-	-	3,733	3,591
Public safety	22,552	22,072	-	-	22,552	22,072
Public works	12,174	11,933	-	-	12,174	11,933
Health and welfare	1,156	1,136	-	-	1,156	1,136
Recreation and culture	1,563	1,565	-	-	1,563	1,565
Housing and development	3,853	1,489	-	-	3,853	1,489
Interest	4,704	4,947	-	-	4,704	4,947
Solid Waste Disposal Facility	-	-	1,653	1,297	1,653	1,297
Mayfield Treatment Plant	-	-	-	4	-	4
TOTAL EXPENSES	54,738	52,162	1,653	1,301	56,391	53,463
Increases in net assets before transfers	(2,686)	2,080	(607)	(289)	(3,293)	1,791
Transfers	(208)	(497)	208	497	-	-
Increase in net assets	(2,894)	1,583	(399)	208	(3,293)	1,791
Net position, beginning of year	108,101	108,738	213	5	108,314	108,743
Change in accounting principle	(255)	(2,220)	-	-	(255)	(2,220)
Net position, beginning of year, restated	107,846	106,518	213	5	108,059	106,523
Net position, end of year	$ 104,952	$ 108,101	$ (186)	$ 213	$ 104,766	$ 108,314

Total government-wide revenues for 2013 were $53.10 million. These revenues consisted of $39.75 million in taxes, $2.92 million in grants and contributions, $0.03 million in investment earnings, $10.38 million in charges for services, and $0.03 million in other revenues. Of this amount, $52.05 million was in governmental activities and $1.05 million was in business-type activities.

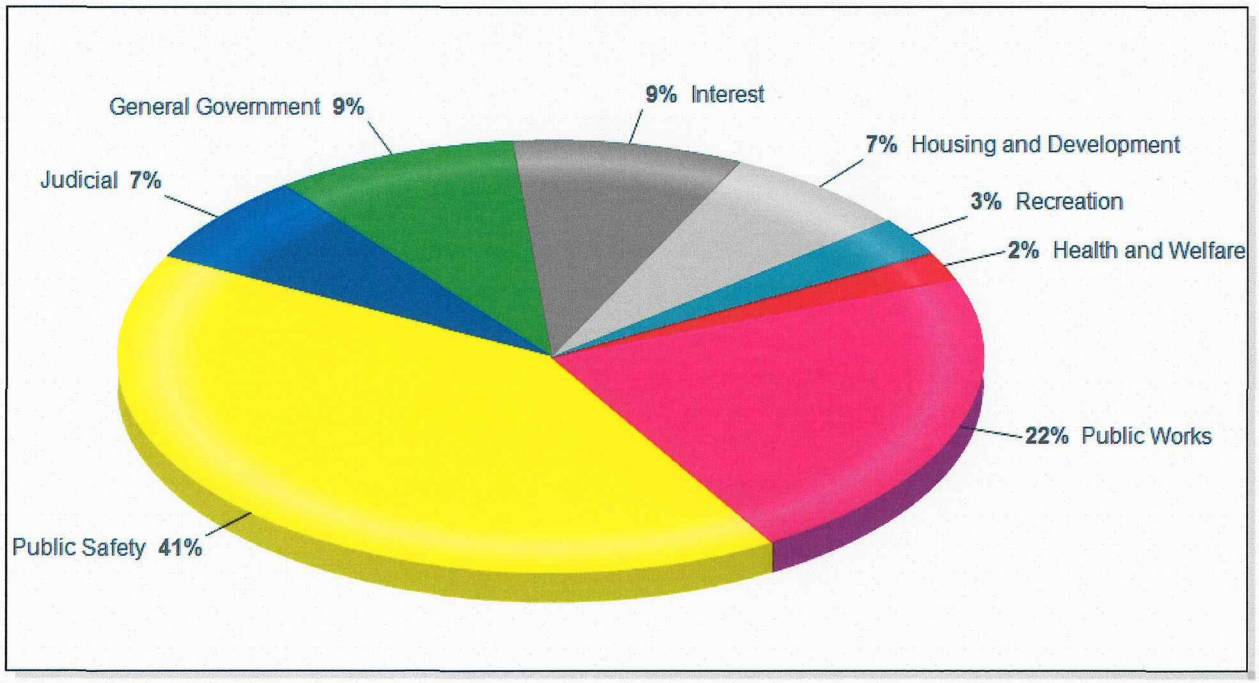
REVENUES BY SOURCE-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

Government-wide expenses were $56.39 million in 2013, of which $54.74 million was in governmental activities and $1.65 million was in business-type activities. The chart below depicts further detail of government-wide expenses.

EXPENSES BY FUNCTION-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

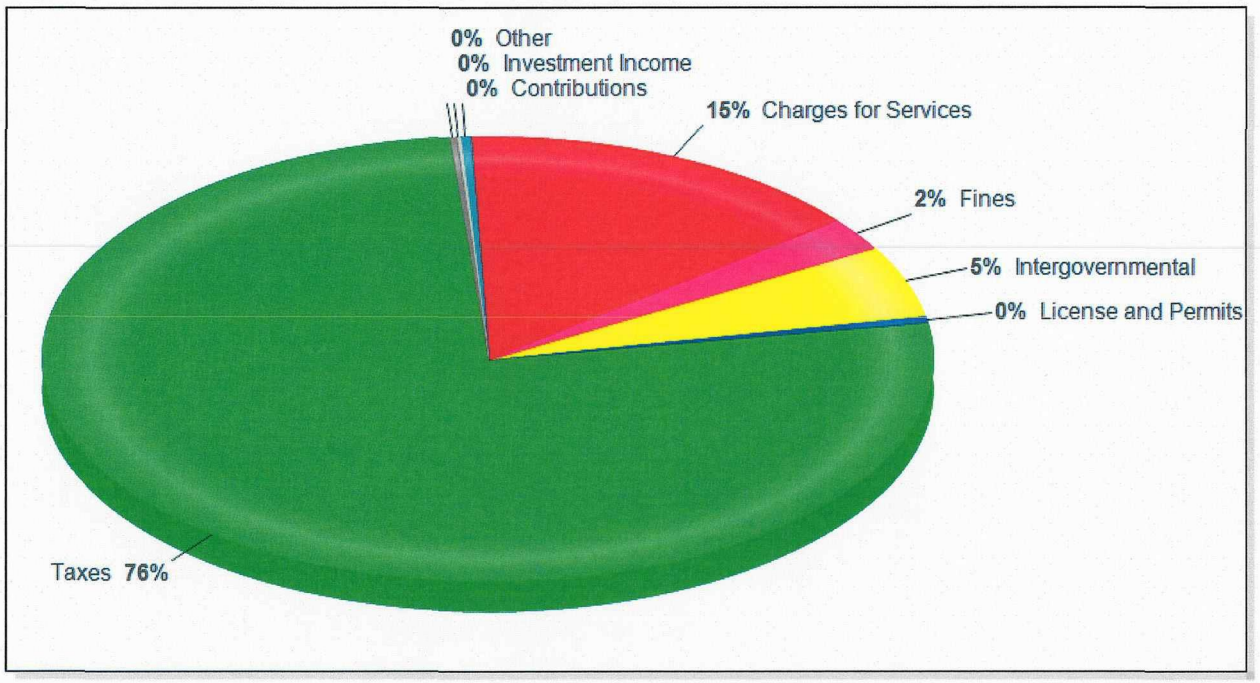
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, Jackson County Government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of Jackson County Government's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in evaluating a government's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

Governmental revenues were up $0.94 million from 2012. General Fund property taxes decreased $(0.13) million due to a decrease in the tax digest from the 2010 tax year to 2011 tax year. However, the millage rate was virtually unchanged from the prior year.

REVENUES BY SOURCE-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

The County's Local Option Sales Tax, the General Fund's second most significant revenue source, yielded $(0.31) million more than in the prior year due to a slight economic recovery. The total amount of Local Option Sales Tax revenue was $5.41 million. The County currently shares two different 1% taxes on all sales within the County. The Local Option Sales Tax (LOST) is a direct offset to property taxes and is renewed every ten years with the municipalities of Arcade, Braselton, Commerce, Hoschton, Jefferson, Maysville, Nicholson, Pendergrass, and Talmo. The SPLOST Capital Projects fund accounts for the other sales tax, which is a Special Purpose Local Option Sales Tax (SPLOST) authorized by voter referendum. The current SPLOST number five, effective for six years, was approved by the voters on November 2, 2010, with collections starting July 1, 2011. The SPLOST tax is for specific capital projects and constitutes a significant portion of Jackson County Government's ability to fund capital projects in the areas of water and sewerage, road and bridges, recreation, and fire training. A total of $2.79 million was

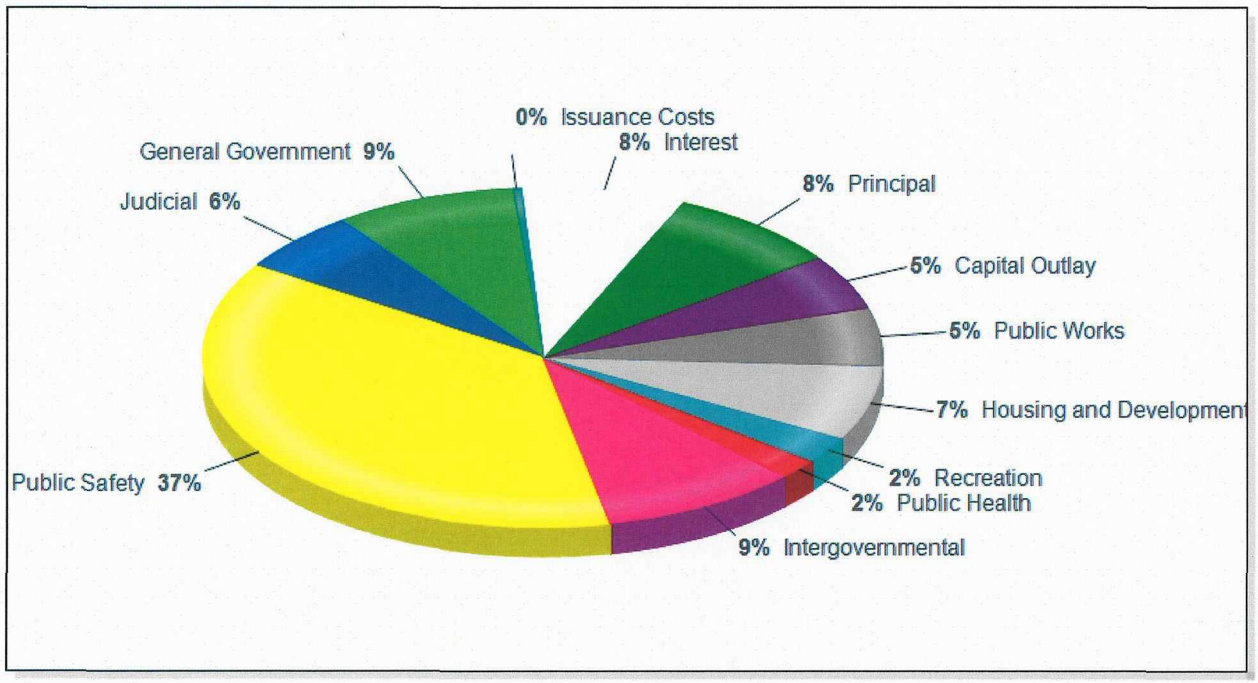
expended during 2013 in the unincorporated areas for these capital projects and $2.61 million was expended for projects in the incorporated areas at the direction of other governments.

Expenditures in the governmental funds were $52.78 million, down $(1.44) million from 2012. This decrease is primarily attributable to activities of the SPLOST and Capital Projects Funds offset by increase in the Debt Service Fund and Nonnamjor funds. The Capital Project Fund expenditures are $4.35 million less than in the previous fiscal year, primarily due to the completeion of road projects started in previous years. SPLOST expenditures were $.42 million less than 2012, due to a decrease in the amount of tax collections disbursed to the cities in SPLOST 5 compared to SPLOST 4. Expenditures of the Debt Service Fund are $.38 million less than in the previous fiscal year, due to the 2013 Series refunding eliminating the 2003 Certificates of Participation (COPS) and the deferral of the 2013 Series principal payments. Expenditures in the non-major governmental funds increased by $.65 million due to an increase in activity in the Public Safety function across all non-najor governmental funds of $299,000 and expenditures related to the CHIP grant of $279,000.

In 2013, the County redeemed $13.66 million in the remaining Series 2003 Certificates of Participation (COPS) in a restructuring and refinancing issue. In 2012, the County redeemed $8.84 million of the Series 2004 economic development bonds.

General Fund expenditures increased $2.3 million from the previous fiscal year. This is primarly due to a $1.6 million forgiveness of debt associated with the Airport Authority that was absorbed by the General Fund and a significant increase in paving costs in the Public Works department.

EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

After transfers, fund balances in the governmental funds had a decrease of $(1) million. This is primarily attributable to activities of the Capital Projects Fund. The Capital projects fund has a project length budget, and therefore it has revenues and expenditures that fluctuate from year to year. Typically, bond proceeds are recognized in one year and the expenditures occur in successive fiscal periods. This timing

difference affects the fund balances shown in those funds.

The Capital Projects Fund had an decrease in fund balance of $(2.49) million. This decrease is attributable to on going capital projects, completed capital projects, and the aforementioned refunding. During 2013, the county continued the construction for a new EMS station for West Jackson County and a design phase for Plainview and Commerce EMS stations. Additionally, the County continued an aggressive campaign to complete a number of infrastructure projects such as the Zion Church Road realignment project/Lewis Braselton Boulevard (Hwy 124). These projects, as planned, are for the purpose of furthering commercial and industrial growth in the County's tax digest.

PROPRIETARY FUNDS: Jackson County Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The business-type activities of the Solid Waste Disposal Facility had revenues that decreased by $55 thousand from the prior year, while expenses decreased by $(339) thousand from 2012. A small change occurred in the Mayfield Wastewater Treatment Plant fund from 2012 to 2013.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, the final budget, and actual results are shown on pages 68-69. Over the course of the year, the Board of Commissioners revised the County's budget several times. The three primary reasons for amending the budget are:

- Carry-forwards from prior years unreserved fund balance to fund capital projects.
- Supplemental appropriations to increase revenue and expenditure accounts due to the receipt of unanticipated grant revenue.
- Increases in appropriations to prevent budget overruns and a violation of the state budget law.

Even with these adjustments, actual expenditures were $707,289 below final budget amounts. Resources available for appropriation at year end were $1.31 million above final budget amounts.

The County prepares four interim financial reports throughout the year and apprises the Board of Commissioners of action needed to amend the county budget.

The final budget anticipated approximately $2.2 million of prior years' surplus to fund current activities; however, only $1.4 million was used. This is primarily the result of greater than budgeted TAVT taxes and reduced expenditures in various county departments.

Several items of significance too place that are worth noting related to the variances of budget to actual for FY 2013. The revenues budget to actual surplus of $728,172 in taxes is primarily the result of not budgeting for the new TAVT taxes due to uncertainty of ad-valorem replacement. TAVT ended up exceeding the decline in motor vehicle ad valorem taxes for the year. Insurance premium taxes were also greater than anticipated by $191,089. The fines & forfeitures the original budget of $823,000 was conservative for the year resulting in a surplus of approximately $92,500. Charges for Services were under budget by approximately $ 131,247, this was the result of an overrly optimistic budget adopted by various departments.

The Superior Court expenditures were $93,294 lower than budgeted primarily as a result of not refilling the Law Library Clerk position in 2013 and also lower intergovernmental payments to Barrow County for

law clerk positions. The Sheriff's Department saw a budget surplus of $31,139 primarily as a result of lowering the usage of overtime, lower group insurance rates in part due to turnover and the 30 day gap before benefits begin, and more single employee coverage as opposed to family coverage. Repairs and maintenance to Sheriff's cars was also reduced for the year due to having a moderately young fleet of cars in 2013 along with better County Shop performance in preventative maintenance. The jail was $43,909 under budget primarily as a result of continued overtime salaries reductions through careful management. The Roads Department also saw a budgeted surplus of $216,879 primarily as a result of salaries being under budget due to some turnover and gaps in the rehiring process and also due to having an in-house sign shop for making or repairing road signs. Additionally, some operational savings occurred with buying stone and asphalt in 2013.

The original budgets were significantly changed for Transfers Out to the Airport Authority by $2.06 million for expenditures exceeding program and other revenues. This is due to the BOC approving to write off long-term receivables owed to the General Fund dating back to 2004. This write-off had the largest single impact on total fund balance of any activity in 2013. However, this was considered within the County's restricted fund balance category before the write-off. An unbudgeted difference also occurred in the Water & Sewer Administration specifically for legal fees related to the Upper Oconee Basin Water Authority (UOBWA). This accounted for approximately $217,000 in legal fees paid on behalf of Jackson County's lawsuit against the UOBWA (and subsequently its other member counties) regarding water allocation percentages from the Bear Creek Reservoir that lies within Jackson County. It should be noted that Jackson County is a member government in the UOBWA. The budget for the tax assessors was increased by $81,776 to cover the cost of property tax audits contracted to third parties, as well as additional salaries.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS: Jackson County's government-wide investments in capital assets at December 31, 2013, were $187.96 million, net of $90.90 million in accumulated depreciation. This investment includes land, buildings, roads, bridges, machinery and equipment, park facilities and vehicles. Government-wide additions in 2013 were over $2.89 million, with $2.82 million in government-type activities and the residual in business-type activities. Additional information on the County's capital assets is contained in Note 6.

Major capital asset activities in governmental-type activities in 2013 were:

- Procurement of various vehicles and equipment and transfers in the amount of $0.66 million.

- Continued construction on a series of roads to further the County's economic development initiatives. Additions in the amount of $0.38 million were made in 2013 to roads, bridges, and other infrastructure including related land.

- Additions to construction in progress other than infrastructure in the amount of $1.45 million. These projects include West Jackson EMS Station, Plainview EMS Station, and Commerce EMS Station, and renovations to the Historic Courthouse interior renovations.

- $5.49 million in projects were transferred out of construction in progress and capitalized during the year. The primary projects included new roads and bridges - 2.47 lane miles on Hog Mountain Road, Dixon Bridge, and Galiliee Church Road Bridge. Additionally, the new West Jackson EMS Station and Lanier Tech renovations were completed. Finally, the County invested in a E911 mobile upgrade to better serve the citizens of Jackson County during emergency situations.

Long-term debt: Long-term debt increased as the result of additions by $16.34 million in 2013. However, the County retired $18.72 million in long-term debt. The new debt is primarily the result of $13.66 million of Series 2013 Revenue Refunding Bonds to provide funds to refund the 2003 Certificates of Participation (COP) that financed the construction of the new courthouse facility. Series 2013 matures in 2024. Additional information on the County's debt is contained in Note 7.

The aforementioned ratings reflect the County's favorable underlying credit characteristics, including a rapidly growing local economy that benefits from its proximity to the Atlanta metropolitan area, an improved financial position characterized by healthy reserve levels, a healthy and expanding tax base, a stable employment base with access to additional employment opportunities in the surrounding communities, and an above average debt burden.

ECONOMIC FACTORS AND THE 2014 BUDGET

The County's General Fund receives approximately $5.41 million or 15.75% of its revenues from the 1% Local Option Sales and use Tax; therefore, economic indicators are very important in forming the General Fund budget estimates. Given the slowly recovering economy and flat disposable income, as a result of high petroleum prices and wage stagnation, sales tax projections for 2014 slightly decreased to $5.5 million.

Despite the downturn in the economy, Jackson County has led the State of Georgia the past few years in economic growth in the creation of private-sector jobs. In the past couple of years, several new construction and expansion of industrial projects has taken place in the County. Tiger Direct, a Systemax Company, opened a combination distribution center and retail outlet in Jefferson. The Aldi Corporation recently completed construction of a $40 million distribution center. Additionally, Jackson County has become home to more major national and international companies such as Safelite Auto Glass in Braselton. Perhaps the biggest announcements for future industrial development have come from Bed, Bath, & Beyond and Carter's Apparel who have opened e-fulfillment centers in Braselton in 2012 and 2013, respectively. Kubota tractor manufacturer just completed its expansion of its operations with an $80 million facility improvement and, largest of all, Toyota Automotive Compressor Group who has completed a $350 million plant expansion. In total, these four companies promise over 2,000 new jobs and a combined half a billion dollars in new development. Many more prospects are in the works for 2014, which along with growth of jobs is foretelling of a resurgence of the homebuilding industry at a higher level than seen in the past five years, as evidenced by current trends in the County's building permits.

In 2014, Standard and Poor's reviewed the Issuer Credit Rating for Jackson County, Georgia, and confirmed the rating at "Aa2" with a stable outlook.

For 2014, Jackson County Government's Operating Budget showed an increase of $1.2 million in general fund revenues over the original 2013 budget. As a result, the County elected to assign less fund balance in the amount of $1.27 million to balance the budget.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Jackson County Government's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County's Finance Director at 67 Athens Street, Jefferson, GA 30549.

JACKSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2013

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash	$ 33,862,848	$ -	$ 33,862,848	$ 4,863,755
Investments	499,877	-	499,877	-
Receivables (net of allowance for uncollectibles)	8,187,218	96,779	8,283,997	936,878
Internal balances	1,457,456	(1,457,456)	-	-
Due from component units	252,324	-	252,324	-
Inventories	255,705	-	255,705	165,864
Prepaid items	1,080,780	-	1,080,780	83,525
Restricted assets:				
Cash	12,750,245	-	12,750,245	1,336,012
Investments	2,030,206	-	2,030,206	-
Non-current assets:				
Receivables	7,109,343	-	7,109,343	-
Subsidized loan receivable	-	-	-	87,455
Net pension obligation	376,898	-	376,898	-
Capital assets:				
Capital assets not being depreciated	73,190,745	498,386	73,689,131	16,111,112
Capital assets being depreciated	203,065,288	2,106,338	205,171,626	123,269,568
Less: accumulated depreciation	(90,508,746)	(388,550)	(90,897,296)	(27,387,929)
Capital assets, net of depreciation	185,747,287	2,216,174	187,963,461	111,992,751
TOTAL ASSETS	253,610,187	855,497	254,465,684	119,466,240
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	3,534,639	-	3,534,639	524,579
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,534,639	-	3,534,639	524,579

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2013

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
LIABILITIES				
Accounts payable	1,544,024	96,838	1,640,862	209,442
Accrued interest payable	1,676,098	-	1,676,098	206,028
Other accrued items	549,845	5,657	555,502	38,691
Due to primary government	-	-	-	252,324
Unearned revenue	19,396,964	-	19,396,964	8,360,167
Amounts held in trust	2,720,804	-	2,720,804	91,976
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	557,082	6,439	563,521	41,830
Accrued landfill closure / postclosure	-	90,470	90,470	-
Notes payable	36,707	-	36,707	207,870
Capital leases payable	624,846	-	624,846	-
General obligation bonds payable	245,757	-	245,757	-
Revenue bonds payable	-	-	-	1,445,252
Contracts payable	4,290,850	-	4,290,850	828,344
Due in more than one year				
Compensated absences payable	242,621	11,066	253,687	100,750
Accrued landfill closure / postclosure	-	831,110	831,110	-
Notes payable	68,307	-	68,307	1,185,066
Capital leases payable	609,676	-	609,676	-
General obligation bonds payable	20,723,261	-	20,723,261	-
Revenue bonds payable	-	-	-	13,206,052
Contracts payable	94,785,953	-	94,785,953	14,715,042
Net OPEB obligation	4,120,469	-	4,120,469	-
TOTAL LIABILITIES	152,193,264	1,041,580	153,234,844	40,888,834
DEFERRED INFLOWS OF RESOURCES				
Deferred credit for refunding	-	-	-	535,659
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	535,659
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	152,193,264	1,041,580	153,234,844	41,424,493
NET POSITION				
Net investment in capital assets	82,681,338	2,216,174	84,897,512	80,792,580
Restricted for:				
Capital outlay projects	5,793,834	-	5,793,834	340,025
Debt service	2,554,687	-	2,554,687	792,894
Judicial programs	55,840	-	55,840	-
Public safety programs	2,050,421	-	2,050,421	-
Unrestricted	11,815,442	(2,402,257)	9,413,185	(3,359,173)
TOTAL NET POSITION	$ 104,951,562	$ (186,083)	$ 104,765,479	$ 78,566,326

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	NET (EXPENSE) AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	NET (EXPENSE) AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT								
GOVERNMENTAL ACTIVITIES								
General government	$ 5,003,393	$ 1,507,859	$ 29,545	$ 49,421	$ (3,416,568)	$ -	$ (3,416,568)	$ -
Judicial	3,733,438	1,851,104	928,406	-	(953,928)	-	(953,928)	-
Public safety	22,552,307	4,734,795	464,049	12,088	(17,341,375)	-	(17,341,375)	-
Public works	12,173,986	2,050	-	30	(12,171,906)	-	(12,171,906)	-
Public health and welfare	1,155,813	57,108	256,625	-	(842,080)	-	(842,080)	-
Recreation and culture	1,563,328	368,995	-	2,022	(1,192,311)	-	(1,192,311)	-
Housing and development	3,852,627	809,009	117,248	1,056,523	(1,869,847)	-	(1,869,847)	-
Interest	4,704,401	-	-	-	(4,704,401)	-	(4,704,401)	-
Proceeds of bonds issued	14,070,841	-	-	-	14,070,841	-	14,070,841	-
Proceeds of capital leases issued	(14,070,841)	-	-	-	(14,070,841)	-	(14,070,841)	-
Total Governmental Activities	54,739,293	9,330,920	1,795,873	1,120,084	(42,492,416)	-	(42,492,416)	-
BUSINESS-TYPE ACTIVITIES								
Solid waste/recycling	1,653,123	1,045,438	-	-	-	(607,685)	(607,685)	-
Mayfield Treatment Plant	255	255	-	-	-	-	-	-
Total Business-Type Activities	1,653,378	1,045,693	-	-	-	(607,685)	(607,685)	-
TOTAL PRIMARY GOVERNMENT	$ 56,392,671	$ 10,376,613	$ 1,795,873	$ 1,120,084	(42,492,416)	(607,685)	(43,100,101)	-
COMPONENT UNITS								
Health Department	$ 1,116,659	$ 337,089	$ 846,134	$ -	-	-	-	66,564
Water and Sewerage Authority	8,148,212	6,002,403	407,103	2,798,600	-	-	-	1,059,894
Airport Authority	587,757	358,642	2,177,630	-	-	-	-	1,948,515
TOTAL COMPONENT UNITS	$ 9,852,628	$ 6,698,134	$ 3,430,867	$ 2,798,600	-	-	-	3,074,973
GENERAL REVENUES								
Property taxes					23,020,132	-	23,020,132	-
Sales taxes					14,415,748	-	14,415,748	-
Insurance premium taxes					1,691,089	-	1,691,089	-
Real estate recording taxes					338,627	-	338,627	-
Other taxes					280,940	-	280,940	-
Total taxes					39,746,536	-	39,746,536	-
Unrestricted investment earnings					29,297	-	29,297	21,393
Gain on sale of capital assets					29,830	-	29,830	-
TRANSFERS					(208,241)	208,241	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					39,597,422	208,241	39,805,663	21,393
CHANGES IN NET POSITION					(2,894,994)	(399,444)	(3,294,438)	3,096,366
NET POSITION, Beginning					108,101,136	213,361	108,314,497	75,469,960
CHANGE IN ACCOUNTING PRINCIPLE					(254,580)	-	(254,580)	-
NET POSITION, Beginning as restated					107,846,556	213,361	108,059,917	75,469,960
NET POSITION, Ending					$ 104,951,562	$ (186,083)	$ 104,765,479	$ 78,566,326

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013

ASSETS	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash	$ 15,464,454	$ -	$ 12,873,633	$ -	$ 5,524,765	$ 33,862,852
Investments	499,877	-	-	-	-	499,877
Receivables (net of allowance for uncollectibles)	5,453,868	-	1,178,191	5,886	1,618,923	8,256,868
Interfund receivables	5,452,935	710,221	-	376,366	579,932	7,119,454
Due from component units	252,324	-	-	-	-	252,324
Prepaid items	429,424	-	-	-	351,226	780,650
Inventories	104,649	-	-	-	118,787	223,436
Restricted assets:						
Cash	758,778	-	2,214,161	9,777,305	-	12,750,244
Investments	-	-	-	2,030,206	-	2,030,206
TOTAL ASSETS	$ 28,416,309	$ 710,221	$ 16,265,985	$ 12,189,763	$ 8,193,633	$ 65,775,911

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013

LIABILITIES AND FUND BALANCES	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Liabilities						
Accounts payable	$ 646,165	$ 8,292	$ 76,199	$ 331,271	$ 460,794	$ 1,522,721
Other accrued items	411,488	-	-	-	138,357	549,845
Interfund payables	1,304,717	-	2,458,396	479,743	1,408,177	5,651,033
Unearned revenue	17,017,024	-	-	-	2,379,940	19,396,964
Amounts held in trust	11,459	-	-	2,709,345	-	2,720,804
TOTAL LIABILITIES	19,390,853	8,292	2,534,595	3,520,359	4,387,268	29,841,367
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,636,684	-	-	-	-	1,636,684
TOTAL DEFERRED INFLOWS OF RESOURCES	1,636,684	-	-	-	-	1,636,684
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	21,027,537	8,292	2,534,595	3,520,359	4,387,268	31,478,051
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	429,424	-	-	-	351,226	780,650
Inventories	104,649	-	-	-	118,787	223,436
Restricted:						
Debt service	758,775	-	2,214,161	-	-	2,972,936
Capital outlay projects	-	-	11,517,229	8,669,404	290,995	20,477,628
Judicial programs	-	-	-	-	46,535	46,535
Public safety programs	-	-	-	-	2,289,343	2,289,343
Committed:						
Public safety programs	-	-	-	-	300,205	300,205
Health and welfare program	-	-	-	-	177,573	177,573
Housing and development programs	-	-	-	-	231,701	231,701
Assigned:						
Debt service	-	701,929	-	-	-	701,929
General government programs	1,267,338	-	-	-	-	1,267,338
Unassigned:	4,828,586	-	-	-	-	4,828,586
TOTAL FUND BALANCES	7,388,772	701,929	13,731,390	8,669,404	3,806,365	34,297,860
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 28,416,309	$ 710,221	$ 16,265,985	$ 12,189,763	$ 8,193,633	$ 65,775,911

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
For the Year Ended December 31, 2013

Total Fund Balances for Governmental Funds (page 5)		$ 34,297,860
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.		185,747,287
Some assets and deferred outflows are not available in the current period, and therefore, are not reported in the funds:		
Net pension obligation	376,898	
Prepaid bond insurance	300,129	
Deferred charge on refunding debt	3,534,639	
		4,211,666
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.		
Property Taxes	1,636,684	
Contracts receivable City of Jefferson 2007B bonds	7,109,343	
		8,746,027
Some liabilities and deferred inflows, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds, net of premium and discounts	(20,969,018)	
Accrued interest	(1,676,098)	
Compensated absences	(799,703)	
Capital leases	(1,234,522)	
Notes payable	(105,014)	
Contracts payable	(99,076,803)	
Net OPEB obligation	(4,120,469)	
Internal loan	(69,651)	
		(128,051,278)
Total net position of governmental activities (page 2)		$ 104,951,562

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ 28,347,472	$ -	$ 9,002,738	$ -	$ 1,808,631	$ 39,158,841
Licenses and permits	63,447	-	-	-	193,218	256,665
Intergovernmental	1,206,414	-	-	-	1,512,085	2,718,499
Fines and forfeitures	915,495	-	-	-	288,568	1,204,063
Charges for services	3,619,755	-	-	-	4,072,256	7,692,011
Contributions and donations	49,421	-	-	9,138	127,483	186,042
Investment income	8,253	-	30	18,012	3,031	29,326
Miscellaneous	150,817	-	-	1,225	26,138	178,180
TOTAL REVENUES	34,361,074	-	9,002,768	28,375	8,031,410	51,423,627
EXPENDITURES						
Current Expenditures						
General government	4,579,920	-	-	3,717	-	4,583,637
Judicial	3,052,895	-	-	-	25,112	3,078,007
Public safety	12,997,533	-	6,646	-	6,668,427	19,672,606
Public works	2,159,290	-	730,886	13	-	2,890,189
Public health and welfare	525,584	-	-	-	509,189	1,034,773
Recreation and culture	100,107	-	4,560	-	1,209,451	1,314,118
Housing and development	2,651,226	-	-	-	1,129,468	3,780,694
Intergovernmental	2,327,731	-	2,609,202	19,459	3,900	4,960,292
Capital outlay	136,526	-	843,919	863,834	966,378	2,810,657
Debt service						
Principal	-	4,002,779	-	-	328,692	4,331,471
Interest	-	2,636,815	1,457,783	-	21,984	4,116,582
Issuance costs	-	-	-	209,158	-	209,158
TOTAL EXPENDITURES	28,530,812	6,639,594	5,652,996	1,096,181	10,862,601	52,782,184
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	5,830,262	(6,639,594)	3,349,772	(1,067,806)	(2,831,191)	(1,358,557)
OTHER FINANCING SOURCES (USES)						
Sale of county property	8,233	-	-	2,899	18,698	29,830
Contract payable issued	-	-	-	14,070,841	-	14,070,841
Payments to escrow agent	-	-	-	(13,869,190)	-	(13,869,190)
Capital leases	-	-	-	577,573	23,054	600,627
Transfers in	401,036	6,905,275	-	-	3,177,259	10,483,570
Transfers out	(8,085,874)	-	(143,835)	(2,205,000)	(257,102)	(10,691,811)
TOTAL OTHER FINANCING SOURCES (USES)	(7,676,605)	6,905,275	(143,835)	(1,422,877)	2,961,909	623,867
NET CHANGE IN FUND BALANCES	(1,846,343)	265,681	3,205,937	(2,490,683)	130,718	(734,690)
FUND BALANCES, Beginning of year	9,235,115	436,248	10,525,453	11,160,087	3,675,647	35,032,550
FUND BALANCES, End of year	$ 7,388,772	$ 701,929	$ 13,731,390	$ 8,669,404	$ 3,806,365	$ 34,297,860

The accompanying notes are an integral part of this statement.

JACKSON 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, 2013

Net change in fund balances (page 7)		$ (734,690)
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. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	2,810,657	
Depreciation expense	(7,725,193)	
		(4,914,536)
In the statement of activities, only the gain/loss on the sale of various capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.		
Net book value of capital assets sold	(312,460)	
		(312,460)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	1,636,684	
Donated assets	11,388	
		1,648,072
Revenues reported in the funds that relate to prior years are not reported as revenue in the statement of activities.		
Property taxes	(1,048,991)	
		(1,048,991)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. This adjustment combines the net change of two balances.		
Proceeds from borrowing including premiums and discounts	(14,671,468)	
Principal payments on long-term debt, including payments to refunding escrow	18,200,661	
Amortization of bond premium, discounts and refunding	(559,724)	
Amortization of prepaid bond insurance	(26,746)	
Accrued interest on bonds, current year	(1,246,755)	
Accrued interest on bonds, prior year	1,454,564	
		3,150,532
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences, current year	(799,703)	
Compensated absences, prior year	792,199	
Net OPEB obligation, current year	(4,120,469)	
Net OPEB obligation, prior year	3,447,106	
		(680,867)
Net pension obligation is not available during the current period and therefore is not reported in the funds.		
Beginning of year	(378,953)	
End of year	376,898	
		(2,055)
Rounding		1
Changes in net position of governmental activities (page 3)		$ (2,894,994)

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2013

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
ASSETS	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
Current Assets				
Receivables (net of allowance for uncollectibles)	$ 96,779	$ -	$ 96,779	$ -
Interfund receivables	-	4,565	4,565	618
Inventories	-	-	-	32,269
TOTAL CURRENT ASSETS	96,779	4,565	101,344	32,887
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	498,386	-	498,386	-
Capital assets being depreciated	2,106,338	-	2,106,338	-
Less: accumulated depreciation	(388,550)	-	(388,550)	-
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	2,216,174	-	2,216,174	-
TOTAL NONCURRENT ASSETS	2,216,174	-	2,216,174	-
TOTAL ASSETS	2,312,953	4,565	2,317,518	32,887
LIABILITIES				
Current Liabilities				
Accounts payable	96,838	-	96,838	21,304
Other accrued items	5,657	-	5,657	-
Interfund payables	1,462,021	-	1,462,021	11,583
Compensated absences payable	6,439	-	6,439	-
Accrued landfill closure/postclosure	90,470	-	90,470	-
TOTAL CURRENT LIABILITIES	1,661,425	-	1,661,425	32,887
Noncurrent Liabilities				
Compensated absences payable	11,066	-	11,066	-
Accrued landfill closure/postclosure	831,110	-	831,110	-
TOTAL NONCURRENT LIABILITIES	842,176	-	842,176	-
TOTAL LIABILITIES	2,503,601	-	2,503,601	32,887
NET POSITION				
Net investment in capital assets	2,216,174	-	2,216,174	-
Unrestricted	(2,406,822)	4,565	(2,402,257)	-
TOTAL NET POSITION	$ (190,648)	$ 4,565	$ (186,083)	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2013

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
OPERATING REVENUES				
Recycling and transfer fees	$ 22,490	$ -	$ 22,490	$ -
Charges for services	1,022,948	255	1,023,203	-
Charges to other funds	-	-	-	449,751
Total Operating Revenues	1,045,438	255	1,045,693	449,751
OPERATING EXPENSES				
Salaries and benefits	267,293	-	267,293	-
Supplies	42,773	-	42,773	975
Other services and charges	27,722	-	27,722	5,866
Landfill closure/postclosure costs	399,721	-	399,721	-
Depreciation	93,474	-	93,474	-
Waste disposal fees	771,918	-	771,918	-
Professional fees	2,541	-	2,541	-
Repairs and maintenance	13,350	-	13,350	-
Utilities	16,550	-	16,550	-
Cost of goods sold	-	-	-	442,910
Total Operating Expenses	1,635,342	-	1,635,342	449,751
OPERATING INCOME (LOSS)	(589,904)	255	(589,649)	-
NONOPERATING REVENUES (EXPENSES)				
Interest expense	(174)	(255)	(429)	-
Gain (loss) on sale of capital assets	(17,607)	-	(17,607)	-
Total Nonoperating Revenues (Expenses)	(17,781)	(255)	(18,036)	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(607,685)	-	(607,685)	-
Transfer in	208,241	-	208,241	-
CHANGE IN NET POSITION	(399,444)	-	(399,444)	-
TOTAL NET POSITION, Beginning of year	208,796	4,565	213,361	-
TOTAL NET POSITION, End of year	$ (190,648)	$ 4,565	$ (186,083)	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2013

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customer	$ 1,007,266	$ 255	$ 1,007,521	$ -
Payments to suppliers	(914,057)	6,352	(907,705)	(449,828)
Payments to employees	(261,418)	-	(261,418)	-
Internal activity-payments from (to) other funds	-	-	-	449,751
Net cash provided by (used in) operating activities	(168,209)	6,607	(161,602)	(77)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in (out)	208,241	-	208,241	-
Principal payments on noncapital related debt	-	(18,802)	(18,802)	-
Interest expense on noncapital related debt	-	(255)	(255)	-
Net Cash provided (used) by non-capital financing activities	208,241	(19,057)	189,184	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(63,858)	-	(63,858)	-
Proceeds from sale of capital assets	24,000	-	24,000	-
Interest paid	(174)	-	(174)	-
Net cash provided (used) by capital and related financing activities	(40,032)	-	(40,032)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Principal payments received on lease receivable	-	12,450	12,450	-
Net cash provided (used) by investing activities	-	12,450	12,450	-
Net increase (decrease) in cash and cash equivalents	-	-	-	(77)
CASH, Beginning of year	-	-	-	77
CASH, End of year	$ -	$ -	$ -	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ (589,904)	$ 255	$ (589,649)	$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	93,474	-	93,474	-
(Increase) decrease in:				
Due from other governments	(38,172)	-	(38,172)	-
Other receivables	-	-	-	491
Increase (decrease) in:				
Compensated absences	62,239	(19,057)	43,182	21,198
Amounts held in trust	218	-	218	-
Other accrued items	337,030	-	337,030	-
Claims payable	5,657	-	5,657	-
Interfund balances	(38,751)	25,409	(13,342)	(21,766)
Net cash provided by (used in) operating activities	$ (168,209)	$ 6,607	$ (161,602)	$ (77)
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES				
Net book value of deletions from capital assets	$ (41,607)	$ -	$ (41,607)	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2013

ASSETS	AGENCY FUNDS
Cash	$ 5,086,192
TOTAL ASSETS	$ 5,086,192
LIABILITIES	
Amount held in trust	$ 5,086,192
TOTAL LIABILITIES	$ 5,086,192

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
December 31, 2013

ASSETS	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
Cash	$ 731,632	$ 3,813,117	$ 319,006	$ 4,863,755
Receivables (net of allowance for uncollectibles)	54,416	866,597	15,865	936,878
Inventories	-	97,736	68,128	165,864
Prepaid items	-	83,525	-	83,525
Restricted assets:				
Cash	-	1,336,012	-	1,336,012
Non-current assets:				
Subsidized loon receivable	-	87,455	-	87,455
Capital assets:				
Capital assets not being depreciated	-	5,565,595	10,545,517	16,111,112
Capital assets being depreciated	163,134	118,757,792	4,348,642	123,269,568
Less: accumulated depreciation	(132,486)	(25,620,905)	(1,634,538)	(27,387,929)
Capital assets, net of depreciation	30,648	98,702,482	13,259,621	111,992,751
TOTAL ASSETS	816,696	104,986,924	13,662,620	119,466,240
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	524,579	-	524,579
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	524,579	-	524,579
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	816,696	105,511,503	13,662,620	119,990,819
LIABILITIES				
Accounts payable	33,132	174,424	1,886	209,442
Accrued interest payable	-	203,092	2,936	206,028
Other accrued items	-	37,037	1,654	38,691
Due to primary government	-	100,705	151,619	252,324
Unearned revenue	-	8,360,167	-	8,360,167
Amounts held in trust	-	91,976	-	91,976
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	11,016	30,814	-	41,830
Notes payable	-	22,870	185,000	207,870
Revenue bonds payable	-	1,445,252	-	1,445,252
Contracts payable	-	828,344	-	828,344
Due in more than one year				
Compensated absences payable	42,630	58,120	-	100,750
Notes payable	-	120,066	1,065,000	1,185,066
Revenue bonds payable	-	13,206,052	-	13,206,052
Contracts payable	-	14,715,042	-	14,715,042
TOTAL LIABILITIES	86,778	39,393,961	1,408,095	40,888,834
DEFERRED INFLOWS OF RESOURCES				
Deferred credit for refunding	-	535,659	-	535,659
TOTAL DEFERRED INFLOWS OF RESOURCES	-	535,659	-	535,659
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	86,778	39,929,620	1,408,095	41,424,493
NET POSITION				
Net invested in capital assets	30,648	68,752,311	12,009,621	80,792,580
Restricted for:				
Capital outlay projects	-	340,025	-	340,025
Debt service	-	792,894	-	792,894
Unrestricted	699,270	(4,303,347)	244,904	(3,359,173)
TOTAL NET POSITION	$ 729,918	$ 65,581,883	$ 12,254,525	$ 78,566,326

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) AND CHANGES IN NET ASSETS: HEALTH DEPARTMENT	NET (EXPENSE) AND CHANGES IN NET ASSETS: WATER AND SEWERAGE AUTHORITY	NET (EXPENSE) AND CHANGES IN NET ASSETS: AIRPORT AUTHORITY	TOTAL
COMPONENT UNITS								
GOVERNMENTAL ACTIVITIES								
Health Department	$ 1,116,659	$ 337,089	$ 846,134	$ -	$ 66,564	$ -	$ -	$ 66,564
Water and Sewerage Authority	8,148,212	6,002,403	407,103	2,798,600	-	1,059,894	-	1,059,894
Airport Authority	587,757	358,642	2,177,630	-	-	-	1,948,515	1,948,515
TOTAL COMPONENT UNITS	$ 9,852,628	$ 6,698,134	$ 3,430,867	$ 2,798,600	66,564	1,059,894	1,948,515	3,074,973
GENERAL REVENUES								
Unrestricted investment earnings					3,380	17,889	124	21,393
TOTAL GENERAL REVENUES					3,380	17,889	124	21,393
CHANGES IN NET POSITION					69,944	1,077,783	1,948,639	3,096,366
NET POSITION, Beginning					659,974	64,504,100	10,305,886	75,469,960
NET POSITION, Ending					$ 729,918	$ 65,581,883	$ 12,254,525	$ 78,566,326

The accompanying notes are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of JACKSON 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.

REPORTING ENTITY

The government is a political subdivision of the State of Georgia governed by a commission-manager form of government under which a five member Board of County Commissioners is elected to serve as the legislative body for the county. The commission chairman is elected at-large, while the remaining four commissioners are elected by geographical districts in which they reside. Elections for the district seats are staggered four year terms, so as to provide some continuity on the Board of Commissioners. In addition, there are four Constitutional Officers; the Clerk of Superior Court, Probate Court Judge, Sheriff, and Tax Commissioner. The Constitutional Officers are elected countywide. The Board of Commissioners approves all annual appropriations used by the respective Constitutional Officers. As required by generally accepted accounting principles, these financial statements present the government and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

The component unit columns in the combined financial statements include the financial data of the county's component units, which meet the criteria established by Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity.* They are reported in separate columns to emphasize that they are legally separate from the county.

Brief descriptions of discretely presented component units follow:

JACKSON COUNTY AIRPORT AUTHORITY (airport authority): The airport authority operates the Cunty's noncommercial airport facility. A five-member board governs the airport authority. The County appoints three members of the board, which represents a voting majority. The County also has the ability to impose its will on the authority as all amendments to the rules and regulations of the authority must be approved by the County Board of Commissioners. During fiscal year 2013, the airport authority received $2,161,304 from the County Board of Commissioners to subsidize annual operations.

JACKSON COUNTY HEALTH DEPARTMENT (health department): The 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 Jackson County Board of Health (board) governs the health department. The board includes seven members representing government, health professions, and the needy. The County appoints the voting majority of the board. Additionally, the health department is fiscally dependent on the County since it must have its budget approved by the county. During fiscal year 2013, the health department received $276,357 from the County Board of Commissioners to subsidize annual operations. The health department has a June 30 fiscal year end.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY (water authority): The water authority has five members appointed by the Board of Commissioners of Jackson County. The water authority was created for the purpose of acquiring, constructing, equipping, maintaining and operating adequate water supply, treatment and distribution facilities and sewerage collection, treatment and distribution facilities making such facilities and the services thereof available to public and private consumers and users located in the City of Jefferson, Jackson County and their environs, including municipalities within and without the County and to adjoining counties; extending and improving such facilities. During fiscal year 2013, the water authority received $2,327,731 from the County Board of Commissioners to subsidize annual operations and to make debt payments.

Complete financial statements may be obtained from the administrative offices at the following locations:

JACKSON COUNTY
HEALTH DEPARTMENT
P O Box 260
Jefferson, Georgia 30549

JACKSON COUNTY WATER &
SEWERAGE AUTHORITY
P O Box 869
Jefferson, Georgia 30549

The JACKSON COUNTY AIRPORT AUTHORITY does not prepare separate financial statements.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Neither fiduciary funds nor component units that are fiduciary in nature are included in the government-wide financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of 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.

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 property taxes as available if they are collected within 60 days of the end of the current fiscal year for which they are levied. Fines are considered available if they are collected within 60 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period for which they are imposed. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise taxes, fines, charges for services, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

Cumulative effect of a change in accounting principle

Fines receivable are not recorded since the amounts are considered to be not measurable. The balance of $254,580 reported at the beginning of the year was written off as the cumulative effect of a change in accounting principle.

The government reports the following major governmental funds:

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

The *SPLOST Capital Projects Fund* accounts for funds received from the imposition of a local 1% voter approved sales tax reserved for construction of capital projects in the areas of water and sewerage improvements; roads, streets, bridges and sidewalks; parks and recreation; and public safety facilities.

The *Debt Service Fund* accounts for the servicing of general long-term debt associated with revenue bonds.

The *Capital Projects Fund* accounts for acquisition and construction of the County's capital assets.

The government reports the following major proprietary funds:

The *Solid Waste Disposal Facility Enterprise Fund* accounts for the activities of the County's solid waste transfer station.

The *Mayfield Treatment Plant Enterprise Fund* accounts for the operations of the Mayfield Wastewater Treatment Plant. However, the operation of this plant was transferred to the Jackson County Water and Sewerage Authority in the year 2000.

Additionally, the government reports the following fund types:

The *Fuel Depot Internal Service Fund* accounts for charges to other departments or agencies of the government for the purchase of fuel.

The *Agency Funds* are custodial in nature and do not represent 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 the Tax Commissioner, Clerk of Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff holds for others in an agency capacity.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Solid Waste Disposal Facility enterprise fund and the Mayfield Treatment Plant enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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 nonoperating revenues and expenses.

ASSETS, LIABILITIES AND NET POSITION OR EQUITY

Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are recorded as fair value based on quoted market prices as of the balance sheet date. Increases or decreases in fair value during the year are recognized as part of investment income.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "interfund receivables/payables." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance of uncollectibles.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied by October 20th of each year. The 2013 property taxes were levied October 20, 2013 and were due December 20, 2013. The taxes are subject to lien after March 20, 2014. Interest and penalties are assessed on taxes not paid by this date.

The County's property taxes were levied on the assessed values of all real and personal property including mobile homes and motor vehicles located in the County.

The County bills and collects its own property taxes and also those for the School Board and the fire districts. Only the County's tax levy is recognized as revenue when levied and uncollected taxes are recorded as deferred revenue in the general fund and fire districts special revenue funds.

Inventories and Prepaid Items

Inventories, consisting of expendable supplies, not held for resale are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Bond Premiums and Discounts

Premiums and discount are deferred and amortized over the lives of the bonds and loans on a straight-line basis, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Amortization costs for premiums, discounts, and amounts deferred for refunding (see Note 7) for the years 2013 was $452,009. None of these costs were capitalized in 2013.

Restricted Assets

Certain proceeds of the County's capital leases or debt issues are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable lease or debt agreements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, culverts, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Roads, bridges and culverts acquired prior to January 1, 2003 have been reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the assets constructed. No interest was capitalized during 2013.

Property, plant and equipment are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50
Computers and peripherals	3
Infrastructure	20
Machinery and equipment	10
Nonstructural improvements	10
Vehicles	3-5
Water and Sewer lines	50
Sewer treatment plant	50
Water treatment plant	20

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 and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has only one type of item that qualifies for reporting in this category. It is the deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amortization is part of the interest expense for the year.

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 and so will not be recognized as an inflow of resources (revenue) until that time. The government has only several types of items that qualify for reporting in this category. One is the deferred credit on refunding. A deferred credit on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amortization is a reduction of the interest expense for the year. Another item only arises under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and fines.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences," no liability is reported for unpaid accumulated sick leave because the benefits are paid only upon illness of an employee, and the amount of such payments cannot be reasonably estimated. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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, or proprietary fund type statement of net position.

Fund Equity/Net Position

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

Generally, *fund balance* represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

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

Fund balances are reported as *committed* when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution prior to the end of the fiscal year. In order to modify or rescind the commitment, the Board of Commissioners must adopt another resolution.

Fund balances are reported as *assigned* when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance director to assign fund balances.

Fund balances are reported as *unassigned* as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other governmental funds.

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt used for the acquisition, construction, or improvement of those assets. In determining the outstanding balance of any borrowing, proceeds of that debt which has not been spent is deducted. Accounts payable for costs related to acquisition, construction, or improvement of those capital assets is considered debt for this calculation. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then committed, assigned, and unassigned (or unrestricted) resources as they are needed.

Net Investment in Capital Assets

The "net investment in capital assets" reported on the government-wide statement of net position as of December 31, 2013 are as follows:

Net investment in capital assets	Governmental Activities	Component Unit Airport Authority
Cost of capital assets	$ 276,256,033	$ 14,894,159
Accumulated depreciation	(90,508,746)	(1,634,538)
Book value	185,747,287	13,259,621
Capital related debt	(111,826,270)	(1,250,000)
Unspent construction proceeds	8,760,321	-
Net investment in capital assets	$ 82,681,338	$ 12,009,621

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - FUND BALANCE/NET POSITION

The government-wide statement of net position reports $122,306,937 of restricted net position, of which $2,032,799 is restricted by enabling legislation.

Additional details related to fund balances at the governmental fund level are presented below:

Restricted:

General Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	$ 758,775
SPLOST Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	2,214,161
Capital outlay projects - For funds received from the imposition of the Special Purpose Local Option Sales Tax (SPLOST) restricted by the voter approved referendum	11,517,229
Capital Projects Fund	
Capital outlay projects - For funds received from issuance of bonds that has not been spent	8,669,404
Nonmajor Special Revenue Funds	
Judicial programs	
Law Library - Used to account for surcharges on fines and forfeitures which are for the operation of the County Law Library and other general expenditures as decided by the trustees of that library	46,535
Public Safety programs -	
Fire District Fund - For funds restricted for fire services from a separate tax levy	1,803,064
Emergency E911 Telephone Services Fund - For fund to operate the E911 center as restricted by the OCGA-46-5	73,292
Jail Fund - To account for funds received from surcharges on fines and forfeitures restricted for operation of the county jail	363,469
Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs	49,518
Housing and Development programs -	
CDBG Fund - National Stabilization Program (NSP) income from refurbishing and selling foreclosed home in Jackson County.	290,995
Total Restricted Fund Balance	$ 25,786,442

Committed:
Nonmajor Special Revenue Funds

Public Safety programs -	
Emergency Management/Rescue Services - Used to account for funds received from state grants, donations from the general public, and transfers from the general fund for these services	$ 141,186
Emergency Services/Ambulance - Used to account for the fees charged to users and transfers in from the general fund to operate the ambulance service.	159,019

Health and Welfare Programs -	
Senior Center - to account for grants, fees charged to users of services as well as transfers from the General Fund for the operation of the County Senior Center	177,573
Housing and Development Programs -	
Keep Jackson Beautiful - to account for various grants and donations as well as transfers from the General Fund to support various activities and projects that reduce littering and other practices that diminish the beauty of the County.	8,394
Protective Inspection/Planning and Zoning - to account for license, permit, and building inspection fees that are collected on new developments as well as transfers from the General Fund that are used for the planning of new developments in the County.	223,307
Total Committed Fund Balance	$ 709,479
Assigned:	
General Fund	
Appropriated as a resource in next year's budget	$ 1,267,338
Debt Service Fund	
For funds transferred from the General Fund for future debt payments before they are paid into bond sinking funds	701,929
Total Assigned Fund Balance	$ 1,969,267

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, all Special Revenue Funds, and Debt Service Fund. Project length budgets are adopted for the Capital Projects Funds. Annual operating budgets are prepared for each Enterprise and Internal Service Fund for planning, control, cost allocation and evaluation purposes. All annual appropriations lapse at fiscal year end.

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

In the summer of each year, all agencies of the government submit requests for appropriation to the Finance Director 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 September 1, the proposed budget is presented to the government's Board of Commissioners for review. The government's Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations.

The Office of Financial Administration 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. The legal level of budgetary control is at the department level within individual funds.

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

The County finance director may amend the line item budget within a department's appropriation. Expenditures may not legally exceed budgeted appropriations at the department level.

EXCESS OF REVENUES AND EXPENDITURES OVER APPROPRIATIONS

There are no excesses of expenditures over appropriations at the department level (the legal level of control).

DEFICIT FUND EQUITY

At December 31, 2013, the Solid Waste Disposal Fund had a deficit in fund balance of $190,648, which resulted from the accrual of a 10 year remediation plan for gas and ground water monitoring associated with a closed landfill. This deficit will be eliminated in future years with an increase in Solid Waste transfer fees.

NOTE 4 - DEPOSITS AND INVESTMENTS

As of December 31, 2013, Jackson County had the following investments, some of which are cash equivalents:

		INVESTMENT MATURITIES (in Years)		
Investment Type	Fair Value	Less Than 1	1-5	Rating (1)
General and Capital Project Funds				
Georgia Fund I	$ 2,120,439	$ 2,120,439	$ -	AAAm
Fidelity Treasury Port	3	3	-	AAAm
Goldman Sachs Treasury Obligations	2,214,162	2,214,162	-	AAAm
1st American Treasury Obligations (Class D shares)	11,801,879	11,801,879	-	AAAm
Total	$ 16,136,483	$ 16,136,483	$ -	
Maximum Investment		100.00 %	0.00 %	

1. Standard & Poor's

Cash per Statement of Net position (page 1)	
Cash	$ 33,862,848
Restricted cash	12,750,245
less cash equivalents that are investments	(13,606,400)
Cash held by Fiduciary Funds (page 12)	5,086,192
Deposits	$ 38,092,885
Investments Statement of Net position (page 1)	
Investments	$ 499,877
Restricted Investments	2,030,206
Investments included in cash equivalents	13,606,400
Investments as listed above	$ 16,136,483

The Jackson County investment program shall be operated for all investments to comply with federal, state, and local laws. The investment program should use a competitive selection process for investments in excess of 30 days. All investments shall be made with consideration for environmental and human rights impact.

The Local Government Investment Pool, "Georgia Fund 1", created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is managed by the Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

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. Jackson 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 statutes authorize the government to invest in obligations of the U.S. Treasury and of its agencies and instrumentalities; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; certificates of deposits of banks insured by FDIC; the State of Georgia Local Government Investment Pool; repurchase agreements; bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions. Jackson County has no investment policy that would further limit its investment choices. At December 31, 2013, the ratings of its investments are shown above.

Concentration of credit risk. Jackson County places no limit on the amount it may invest in any one issuer.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Jackson County has a policy of placing investments with qualified financial institutions.

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Jackson County may exceed the FDIC insured limit in making deposits in commercial banks and savings and loans institutions, if the funds are otherwise adequately secured. As of December 31, 2013, all of the County's bank balance of $40,129,424 was insured or was adequately collateralized with securities held by the pledging financial institution's name.

State statutes require collateral pledged in the amount of 110% of deposits. Depositories may secure deposits of public funds using the dedicated method or the pooled method as described below.

> Under the *dedicated method*, a depository shall secure the deposits of each of its public depositors separately.

Under the *pooled method*, a depository shall secure deposits of public bodies which have deposits with it through a pool of collateral established by the depository with a custodian for the benefit of public bodies having deposits with such depository as set forth in code Section 45-8-13.1.

The County utilized both methods to secure deposits of public funds.

NOTE 5 - RECEIVABLES

PRIMARY GOVERNMENT

Receivables as of year-end for the County's individual major funds and nonmajor governmental and Internal Service Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	SPLOST	Capital Projects Fund	NonMajor Governmental Funds	Solid Waste Disposal Facility
Receivables:					
Property Taxes	$ 4,399,317	$ -	$ -	$ 361,472	$ -
Accounts	126,381	-	5,886	1,008,119	96,540
Intergovernmental	928,170	1,178,191	-	249,332	141
Total Gross Receivables	5,453,868	1,178,191	5,886	1,618,923	96,681
Less: Allowance for Uncollectibles	-	-	-	-	98
Total Net Receivables	$ 5,453,868	$ 1,178,191	$ 5,886	$ 1,618,923	$ 96,779

Property taxes receivable at December 31, 2013, consist of the following:

DIGEST YEAR	GENERAL FUND	NONMAJOR GOVERNMENTAL FUNDS
2013	$ 2,527,520	$ 293,602
2012	1,093,391	40,489
2011	374,949	9,045
2010	120,575	5,180
2009	100,181	3,802
2008	73,910	3,156
2007	50,303	2,182
2006	20,675	1,034
2005	13,773	799
2004	9,526	630
2003 and prior	14,514	1,553
Total	$ 4,399,317	$ 361,472

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	UNAVAILABLE	UNEARNED
Property taxes (General Fund)	$ 1,636,684	$ 17,017,024
Property taxes (Fire District Fund)	-	2,129,430
Other	-	250,510
Total unavailable/ unearned revenue for governmental funds	$ 1,636,684	$ 19,396,964

COMPONENT UNITS

	Health Department	Water and Sewerage Authority	Airport Authority
Receivables:			
Accounts	$ -	$ 600,723	$ 339
Intergovernmental	54,416	51,671	15,526
Other	-	341,050	-
Total Gross Receivables	54,416	993,444	15,865
Less: Allowance for Uncollectibles	-	(126,847)	-
Total Net Receivables	$ 54,416	$ 866,597	$ 15,865

NOTE 6 - CAPITAL ASSETS

PRIMARY GOVERNMENT

Capital asset activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Retirement	Transfer	Ending Balance
Governmental Activities:					
Non-Depreciable Assets:					
Land and land improvements	$ 6,103,576	$ 67,763	$ -	$ 17,586	$ 6,188,925
Infrastructure land and land improvements	55,628,984	-	-	-	55,628,984
Construction in progress	837,956	1,447,469	-	(1,343,269)	942,156
Construction in progress - infrastructure	14,507,317	384,984	(312,048)	(4,149,573)	10,430,680
Total non-depreciable capital assets	77,077,833	1,900,216	(312,048)	(5,475,256)	73,190,745
Depreciable Assets:					
Land Improvements	1,990,553	-	-	-	1,990,553
Buildings and improvements	73,691,951	-	-	1,082,984	74,774,935
Machinery and equipment	14,620,600	263,749	(6,930)	242,699	15,120,118
Vehicles	15,476,506	658,080	(130,451)	-	16,004,136
Infrastructure	91,025,973	-	-	4,149,573	95,175,546
Total depreciable capital assets	196,805,583	921,829	(137,381)	5,475,256	203,065,288
Less Accumulated Depreciation for:					
Land Improvements	(478,656)	(105,362)	-	-	(584,018)
Buildings and improvements	(11,197,499)	(1,575,606)	-	-	(12,773,105)
Machinery and equipment	(7,916,945)	(1,210,035)	6,518	-	(9,120,462)
Vehicles	(12,170,212)	(1,255,589)	130,451	-	(13,295,350)
Infrastructure	(51,157,209)	(3,578,601)	-	-	(54,735,810)
Total accumulated depreciation	(82,920,521)	(7,725,193)	136,969	-	(90,508,746)
Total depreciable capital assets, net	113,885,062	(6,803,364)	(412)	5,475,256	112,556,542
Governmental activities capital assets, net	$ 190,962,895	$ (4,903,148)	$ (312,460)	$ -	$ 185,747,287

Additions to governmental activities capital assets for fiscal year ending December 31, 2013 consist of the following:

Capital Outlay	$ 2,810,657
Donated assets	11,388
Total Additions	$ 2,822,045
Non-depreciable capital assets additions	$ 1,900,216
Depreciable capital assets additions	921,829
Total	$ 2,822,045

	Beginning Balance	Additions	Retirement	Transfer	Ending Balance
Business-type Activities:					
Non-Depreciable Assets:					
Land and land improvements	$ 498,386	$ -	$ -	$ -	$ 498,386
Construction in progress	34,530	-	-	(34,530)	-
Total non-depreciable capital assets	532,916	-	-	(34,530)	498,386
Depreciable Assets:					
Land improvements	212,757	-	(55,043)	34,530	192,244
Buildings and improvements	1,566,826	-	(6,361)	-	1,560,465
Machinery and equipment	193,279	495	(1,947)	-	191,827
Vehicles	170,917	63,363	(72,478)	-	161,802
Total depreciable capital assets	2,143,779	63,858	(135,829)	34,530	2,106,338
Less Accumulated Depreciation for:					
Land improvements	(54,767)	(19,662)	16,999	-	(57,431)
Buildings and improvements	(74,408)	(31,220)	2,799	-	(102,828)
Machinery and equipment	(89,205)	(18,831)	1,947	-	(106,090)
Vehicles	(170,918)	(23,761)	72,478	-	(122,201)
Total accumulated depreciation	(389,298)	(93,474)	94,223	-	(388,550)
Total depreciable capital assets, net	1,754,481	(29,616)	(41,606)	34,530	1,717,788
Business-type activities capital assets, net	$ 2,287,397	$ (29,616)	$ (41,606)	$ -	$ 2,216,174

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

Governmental Activities:	
General Government	$ 334,986
Judicial	572,925
Public Safety	2,453,157
Public Works	3,963,697
Public Health and Welfare	109,039
Recreation and Culture	232,527
Housing and Development	58,860
Rounding	2
Total depreciation expense - Governmental Activities	$ 7,725,193
Business-type Activities:	
Solid Waste	93,474
Total depreciation expense - Business-type Activities	$ 93,474

The County has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2013 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Governmental Activities:					
Chardonnay Trace	$ 36,087	$ 33,688	$ -	$ 2,399	Local funds
SR60/I-85 Interchange	250,000	20,939	229,061	-	Economic Development Bonds
SR53	135,000	6,010	128,990	-	Economic Development Bonds
Historic Courthouse Renovations	1,171,769	255,769	-	916,000	2007A Bonds; Federal grants
Zion Church Realignment	11,491,718	10,370,043	214,610	907,065	Economic Development Bonds
Talmo Tower	52,445	52,445	-	-	911 Special Revenue Fund
Plainview EMS Station	800,000	6,273	-	793,727	SPLOST; Local Funds
Commerce EMS Station	800,000	10,421	-	789,579	SPLOST; Local Funds
Boys & Girls Club Facility	753,600	617,248	136,352	-	CDBG
Total Governmental Activities	$ 15,490,619	$ 11,372,836	$ 709,013	$ 3,408,770	

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the *Health Department* for the year ended December 31, 2013, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Depreciable Assets:				
Machinery and equipment	$ 163,134	$ 35,651	$ (35,651)	$ 163,134
Less Accumulated Depreciation	(118,980)	(13,506)	-	(132,486)
Capital Assets, net	$ 44,154	$ 22,145	$ (35,651)	$ 30,648

Activity for *Jackson County Water and Sewerage Authority* for the year ended December 31, 2013, was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Non-depreciable Assets:					
Land	$ 2,752,046	$ -	$ -	$ -	$ 2,752,046
Land - Water Plant Capacity	2,380,799	-	-	-	2,380,799
Construction in progress	103,943	988,410	-	(659,603)	432,750
Total non-depreciable capital assets	5,236,788	988,410	-	(659,603)	5,565,595
Depreciable assets:					
Buildings	631,523	-	-	-	631,523
Water tanks	3,989,889	-	-	-	3,989,889
Booster pumps	811,501	-	-	14,421	825,922
Water lines	66,881,662	7,613	-	307,997	67,197,272
Meters	2,037,056	-	-	157,498	2,194,554
Vehicles	332,745	-	-	78,268	411,013
Sewer system	19,503,085	-	-	-	19,503,085
Machinery and equipment	1,301,760	-	-	101,419	1,403,179
Water Plant Capacity	22,601,355	-	-	-	22,601,355
Total depreciable capital assets	118,090,576	7,613	-	659,603	118,757,792
Less Accumulated Depreciation for:					
Buildings	(179,000)	(18,893)	-	-	(197,893)
Water tanks	(1,126,693)	(81,628)	-	-	(1,208,321)
Booster pumps	(478,732)	(41,276)	-	-	(520,008)
Water lines	(12,927,095)	(1,341,429)	-	-	(14,268,524)
Meters	(1,180,930)	(202,028)	-	-	(1,382,958)
Vehicles	(194,652)	(55,797)	-	-	(250,449)
Sewer system	(2,522,330)	(396,520)	-	1	(2,918,849)
Machinery and equipment	(827,304)	(121,163)	-	-	(948,467)
Water Plant Capacity	(3,597,577)	(327,859)	-	-	(3,925,436)
Total accumulated depreciation	(23,034,313)	(2,586,593)	-	1	(25,620,905)
Total depreciable capital assets, net	95,056,263	(2,578,980)	-	659,604	93,136,887
Business-type activities capital assets, net	$ 100,293,051	$ (1,590,570)	$ -	$ 1	$ 98,702,482

The Jackson County Water and Sewer Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2013 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
MOWWTP 0.5 MGD Improv. Phase II	$ 1,065,000	$ 297,602	$ 503,896	$ 263,502	General Fund
Wheeler cemetery road pump station	436,562	35,979	400,583	-	SPLOST
Galilee Pump Station Rechlor	28,000	7,331	-	20,669	General Fund
Connection to Commerce @ Hwy. 334	10,000	1,246	-	8,754	SPLOST
MOWWTP 0.5 MGD Improv. Phase III	685,000	32,939	-	652,061	Gneral Fund
2013 Water SCADA System Upgrade	54,252	54,252	-	-	General Fund
Ridgewood Water Line Ext	6,000	3,401	-	2,599	General Fund
	$ 2,284,814	$ 432,750	$ 904,479	$ 947,585	

Activity for the *Jackson County Airport Authority* for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Non-depreciable Assets:					
Land	$10,487,762	$ 19,459	$ -	$ -	$ 10,507,220
Construction in progress	309,659	-	-	(271,362)	38,297
Total non-depreciable capital assets	10,797,421	19,459	-	(271,362)	10,545,517
Depreciable assets:					
Land and improvements	2,011,107	-	-	271,362	2,282,469
Buildings and improvements	1,719,995	-	-	-	1,719,995
Machinery and equipment	346,178	-	-	-	346,178
Total depreciable capital assets	4,077,280	-	-	271,362	4,348,642
Less Accumulated Depreciation for:					
Land and improvements	(872,960)	(94,812)	-	-	(967,772)
Buildings and improvements	(415,928)	(44,640)	-	-	(460,568)
Machinery and equipment	(175,373)	(30,825)	-	-	(206,198)
Total accumulated depreciation	(1,464,261)	(170,277)	-	-	(1,634,538)
Total depreciable capital assets, net	2,613,019	(170,277)	-	271,362	2,714,104
Business-type activities capital assets, net	$13,410,440	$ (150,818)	$ -	$ -	$ 13,259,621

The Jackson County Airport Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2013 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Hangar Development Area EA	$ 70,139	$ 38,297	$ -	$ 31,842	Local Funds; GA DOT; FAA
	$ 70,139	$ 38,297	$ -	$ 31,842	

NOTE 7 - LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Governmental Activities:						
General obligation bonds	$ 20,355,000	$ -	$ -	$ 20,355,000	$ -	$ 20,355,000
Add: Original issue premium	859,775	-	(245,757)	614,018	245,757	368,261
Total general obligation bonds	21,214,775	-	(245,757)	20,969,018	245,757	20,723,261
Contracts Payable:						
IDA 2004 Bonds	3,605,000	-	-	3,605,000	850,000	2,755,000
Add: Original issue Premiums	61,570	-	(20,284)	41,286	17,834	23,452
Subtotal IDA Series 2004 bonds	3,666,570	-	(20,284)	3,646,286	867,834	2,778,452
City of Jefferson - Series A 2007 Bonds	20,050,000	-	-	20,050,000	-	20,050,000
City of Jefferson - Series B 2007 Bonds	7,025,000	-	(345,000)	6,680,000	360,000	6,320,000
Less: Original issue discounts	(23,467)	-	2,182	(21,285)	(2,182)	(19,103)
Subtotal Series B 2007 bonds	7,001,533	-	(342,818)	6,658,715	357,818	6,300,897
IDA 2009 Series A Bonds	23,690,000	-	(1,405,000)	22,285,000	1,440,000	20,845,000
IDA 2009 Series B Bonds	15,115,000	-	(800,000)	14,315,000	840,000	13,475,000
City of Jefferson - Series 2011 Bonds	8,660,000	-	(135,000)	8,525,000	145,000	8,380,000
IDA - Series 2012 A Bonds	9,145,000	-	-	9,145,000	-	9,145,000
Add: Original issue Premiums	54,254	-	(6,793)	47,461	6,562	40,899
Subtotal Series 2012 A bonds	9,199,254	-	(6,793)	9,192,461	6,562	9,185,899
IDA - 2012 B bonds	905,000	-	(565,000)	340,000	170,000	170,000
City of Jefferson - Series 2013 bonds	-	13,660,000	-	13,660,000	435,000	13,225,000
Less: Original issue premium	-	410,841	(6,500)	404,341	28,636	375,705
Subtotal Series 2013B bonds	-	14,070,841	(6,500)	14,064,341	463,636	13,600,705
Total Contracts Payable	88,287,357	14,070,841	(3,281,395)	99,076,803	4,290,850	94,785,953
Capital leases	15,048,253	577,573	(14,391,302)	1,234,524	624,848	609,676
Add: Original issue Premiums	101,400	-	(101,400)	-	-	-
Total Capital Leases	15,149,653	577,573	(14,492,702)	1,234,524	624,848	609,676
Notes Payable	112,127	23,054	(30,167)	105,014	36,707	68,307
Compensated absences	792,199	584,685	(577,180)	799,704	557,082	242,621
Net OPEB obligation	3,447,106	681,328	(7,965)	4,120,469	-	4,120,469
Governmental activities long-term liabilities	$ 129,003,217	$ 15,937,481	$ (18,635,166)	$ 126,305,532	$ 5,755,244	$ 120,550,287
Business-type Activities:						
Notes payable	$ 18,802	$ -	$ (18,802)	$ -	$ -	$ -
Landfill closure/postclosure	584,550	399,721	(62,691)	921,580	90,470	831,110
Compensated absences	17,286	7,497	(7,277)	17,506	6,438	11,066
Business-type activities long-term liabilities	$ 620,638	$ 407,218	$ (88,770)	$ 939,086	$ 96,908	$ 842,176

Contracts payable, notes payable, capital leases, compensated absences and net other postemployment benefits obligation are generally liquidated by the general fund except for the 2011 bonds for the jail which is paid by SPLOST and the contract for economic development bonds which has about $120,000 paid by the capital projects fund. Landfill closure/postclosures costs and the note payable for business type activity are liquidated by the Solid Waste enterprise fund.

SUMMARY OF ALL DEBT - GOVERNMENTAL ACTIVITIES

December 31	Principal	Interest	Total
2014	$ 10,401,555	$ 4,331,239	$ 14,732,794
2015	10,487,330	3,985,744	14,473,074
2016	10,980,750	3,600,151	14,580,901
2017	11,291,095	3,188,791	14,479,886
2018	6,353,808	2,806,340	9,160,148
2019-2023	39,650,000	10,441,797	50,091,797
2024-2028	22,660,000	3,769,032	26,429,032
2029-2033	8,475,000	662,738	9,137,738
	$ 120,299,538	$ 32,785,832	$ 153,085,370

CAPITAL LEASES

Heavy equipment for road construction and various other equipment items and the new courthouse are acquired under capital lease agreements which bear interest at various rates from 1.765% to 5.870%. The County, in conjunction with the Association County Commissioners of Georgia Lease Purchase Program, issued $25,000,000 in aggregate principal of Certificates of Participation (COPS) during October 2003 to finance the construction of a new courthouse facility. Those COPS were partially refinanced in 2011. See City of Jefferson Series 2011 contract payable below for more information on the refunding. Minimum future lease obligations for these leases, as of December 31, 2013, are as follows:

December 31	Principal	Interest	Total
2014	$ 624,848	$ 18,187	$ 643,035
2015	363,657	8,122	371,779
2016	141,115	2,247	143,362
2017	76,095	906	77,001
2018	28,809	122	28,931
	$ 1,234,524	$ 29,584	$ 1,264,108

As of December 31, 2013, the capital assets purchased under these capital lease agreements are as follows:

	Governmental Activities
Buildings and improvements	$25,836,625
Machinery and equipment	435,357
Vehicles	3,528,188
Less accumulated depreciation	(7,223,996)
Net	$22,576,174

GENERAL OBLIGATION BONDS

On March 22, 2011, the County issued $20,355,000 of Series 2011 general obligation refunding bonds to provide funds to partially advance refund the County's contract payable for the City of Jefferson Series 2007A bonds related to the county jail project. Up to $23,747,657 of the proceeds from the Special Purpose Local Option Sales tax (SPLOST 5) effective July 1, 2011 have been pledged towards repayment of these bonds which bear interest rates from 2% to 5% and mature September 1, 2017. The County placed $21,683,536 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the S2007A bonds maturing 2012 through 2037. The refunding reduced the aggregate debt services payments by $13,587,126 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $5,656,000. The accounting loss on the refunding was approximately $2,935,930. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2007A bonds as of December 31, 2013 was $19,015,000.

The annual requirements to amortize this debt as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 5,510,000	$ 686,600	$ 6,196,600
2015	4,775,000	522,850	5,297,850
2016	4,940,000	347,100	5,287,100
2017	5,130,000	158,900	5,288,900
Total	$ 20,355,000	$ 1,715,450	$ 22,070,450

CONTRACTS PAYABLE

IDA 2004 Economic Development Bonds Payable

On November 1, 2004, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of $16,815,000 of Series 2004 bonds with a premium and issuance cost of $552,327 which mature March 30, 2024, and bear interest at rates from 3.00% to 5.00%. These bonds were for economic development projects including road projects. The county completed a partial refunding of Series 2004 bonds by issuing $10,050,000 of Series 2012 bonds.

The annual requirements to amortize this debt as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 850,000	$ 123,750	$ 973,750
2015	885,000	89,050	974,050
2016	920,000	54,675	974,675
2017	950,000	19,000	969,000
Total	$ 3,605,000	$ 286,475	$ 3,891,475

City of Jefferson Series 2007A Bond

On August 1, 2007, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $40,595,000 of Series 2007A bonds with a discount and issuance cost of $645,564 which mature March 1, 2037, and bear interest at rates from 2.900% to 5.001%. These bonds were issued to fund the County's capital projects including the jail project, public safety training facility, and historic courthouse renovation. In 2011, these bonds were partially refunded by the Series 2011 General Obligation bonds discussed above.

The annual requirements to amortize the Series 2007A bond payable as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ -	$ 911,456	$ 911,456
2015	930,000	891,875	1,821,875
2016	970,000	848,044	1,818,044
2017	1,020,000	798,294	1,818,294
2018	1,070,000	750,484	1,820,484
2019-2023	6,060,000	3,016,040	9,076,040
2024-2028	7,540,000	1,498,334	9,038,334
2029-2033	2,460,000	177,038	2,637,038
Total	$ 20,050,000	$ 8,891,565	$ 28,941,565

City of Jefferson Series 2007B Bond

On August 1, 2007, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $7,985,000 of Series 2007 bonds which mature March 1, 2027, and bear interest at rates from 3.700% to 4.750%. These bonds were issued to fund the City of Jefferson's projects including road projects. Per the intergovernmental agreement with the City of Jefferson, the City of Jefferson has agreed to pay all principal and interest payments as well as all issuance costs. In the event of default by the City of Jefferson, Jackson County will be obligated to repay the debt. Therefore, due to legal requirements, there is still a legal liability to Jackson County.

The annual requirements to amortize the Series 2007B bond payable as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 360,000	$ 284,464	$ 644,464
2015	375,000	269,548	644,548
2016	390,000	254,483	644,483
2017	405,000	238,279	643,279
2018	420,000	221,265	641,265
2019-2023	2,395,000	816,059	3,211,059
2024-2028	2,335,000	218,933	2,553,933
Total	$ 6,680,000	$ 2,303,031	$ 8,983,031

IDA 2009 Series A Economic Development Bonds

On November 1, 2009, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of $25,050,000 of economic development bonds with a issuance cost of $484,672 which mature from July 1, 2012 to July 1, 2024, and bear interest at 3.700%. These bonds, along with $5,000,000 of unspent proceeds from the 2008 A bonds, were used to redeem $29,405,000 of the Industrial Development Authority 2008A economic development bonds.

The annual requirements to amortize this debt as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 1,440,000	$ 824,546	$ 2,264,546
2015	1,490,000	771,266	2,261,266
2016	1,530,000	716,136	2,246,136
2017	1,570,000	659,526	2,229,526
2018	1,620,000	601,436	2,221,436
2019-2023	11,670,000	1,970,440	13,640,440
2024-2027	2,965,000	109,695	3,074,695
Total	$ 22,285,000	$ 5,653,045	$ 27,938,045

IDA 2009 Series B Economic Development Bonds

On January 11, 2010, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of the balance of $15,880,000 of Series 2009B economic development bonds. These were used to redeem $15,595,000 of the Series 2008 economic development bonds as well as pay costs of issuance. These bonds mature from July 1, 2012 to July 1, 2024, and bear interest at 3.700%.

The annual requirements to amortize this debt as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 840,000	$ 529,656	$ 1,369,656
2015	875,000	498,576	1,373,576
2016	920,000	466,200	1,386,200
2017	965,000	432,160	1,397,160
2018	1,010,000	396,456	1,406,456
2019-2023	7,705,000	1,317,204	9,022,204
2024-2028	2,000,000	74,000	2,074,000
Total	$ 14,315,000	$ 3,714,252	$ 18,029,252

City of Jefferson Series 2011 Bond

On November 30, 2011, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $9,190,000 of Series 2011 bonds with issuance cost of $86,500 which mature April 1, 2024, and bear interest at 2.900%. These bonds were issued to partially refund Series 2003 Certificates of Participation (COPS) issued to finance the construction of a new courthouse facility. The County placed $9,080,111 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2003 COPS maturing in 2012 and 2017 through 2024. The refunding reduced the aggregate debt services payments by $2,434,396 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $270,787. The accounting loss on the refunding was approximately $1,222,882. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2003 COPS as of December 31, 2013 was $8,000,000.

The annual requirements to amortize the Series 2011 bond payable as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 135,000	$ 245,267	$ 380,267
2015	140,000	241,280	381,280
2016	145,000	237,147	382,147
2017	915,000	221,778	1,136,778
2018	940,000	194,880	1,134,880
2019-2023	5,130,000	542,736	5,672,736
2024-2028	1,120,000	16,240	1,136,240
Total	$ 8,525,000	$ 1,699,328	$ 10,224,328

IDA Series 2012A and 2012B Bonds

On April 1, 2012, Jackson County entered into a contract with Jackson County Industrial Development Authority to fund repayment of an issue of $9,145,000 of Series 2012A Revenue Refunding Bonds which mature April 1, 2024, and bear interest at rates from 1.90% to 3.00% and $905,000 of Series 2012B Taxable Revenue Refunding Bonds which mature April 1, 2015, and bear interest at 2.00%. These bonds were issued to partially refund Series 2004 IDA bonds issued to finance the construction of economic development projects including roads. The County placed $9,936,763 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2004 bonds maturing in 2013 and 2018 through 2024. The refunding reduced the aggregate debt services payments by $528,977 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $526,142. The accounting loss on the refunding was approximately $833,984. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2004 bonds as of December 31, 2013 was $12,995,000.

The annual requirements to amortize the Series 2012A and 2012B bonds payable as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 170,000	$ 208,398	$ 378,398
2015	170,000	204,998	374,998
2016	175,000	200,672	375,672
2017	180,000	196,248	376,248
2018	1,185,000	179,597	1,364,597
2019-2023	6,265,000	501,318	6,766,318
2024-2028	1,340,000	16,080	1,356,080
Total	$ 9,485,000	$ 1,507,311	$ 10,992,311

City of Jefferson Series 2013 Bond

On July 10, 2013 Jackson County entered into a contract with the the City of Jefferson Public Building Authority to fund repayment of an issue of $13,660,000 of Series 2013 Revenue Refunding Bonds bonds which mature April 1, 2024, and bear interest at rates from 1.90% to 3.00% and $905,000 of Series 2012B Taxable Revenue Refunding Bonds which mature April 1, 2032, and bear interest at 2.00%. These bonds were issued to refund 2003 Certificates of Participation (COP) that financed the construction of the new courthouse facility. The County placed $13,869,190 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2003 capital lease maturing in 2032. The refunding reduced the aggregate debt services payments by $971,463 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $922,974. The accounting loss on the refunding was approximately $772,791. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2004 bonds as of December 31, 2013 was $12,995,000.

The annual requirements to amortize the Series 2013 bonds payable as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 435,000	$ 494,150	$ 929,150
2015	445,000	485,380	930,380
2016	820,000	472,700	1,292,700
2017	80,000	463,700	543,700
2018	80,000	462,100	542,100
2019-2023	425,000	2,278,000	2,703,000
2024-2028	5,360,000	1,835,750	7,195,750
2029-2033	6,015,000	485,700	6,500,700
Total	$ 13,660,000	$ 6,977,480	$ 20,637,480

GEFA Notes Payable

Governmental activities:

On March 6, 1996, the County entered into a $911,436 loan agreement with the Georgia Environmental Facilities Authority (GEFA). These funds were to be drawn down as needed to finance Jackson County's share of the City of Commerce sewerage expansion for the Tanger Outlet Mall. Only $394,350 was drawn on the loan before completion of the project, which was completed on October 31, 1998. Repayment of the proceeds began on November 1, 1998. This loan, which bears interest at 5.3%, matures October 1, 2016.

The annual requirements to amortize this debt as of December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 36,707	$ 4,765	$ 41,472
2015	38,672	2,799	41,471
2016	29,635	747	30,382
Total	$ 105,014	$ 8,311	$ 113,325

Business-type activities:

On June 20, 1997, the County entered into a $757,100 loan agreement with the Georgia Environmental Facilities Authority (GEFA) for the construction of the Mayfield Wastewater Treatment Plant. This agreement was later revised to $776,799. This loan, which bears interest at 5.43%, matures April 1, 2013. This note was fully paid as of December 31, 2013.

COMPONENT UNITS

Long-term liability activity for the *Airport Authority* for the year ended December 31, 2013 was as follows:

Business-type activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Series 2004 Revenue Notes	$ 1,445,000	$ -	$ (195,000)	$ 1,250,000	$ 185,000	$ 1,065,000
Total	$ 1,445,000	$ -	$ (195,000)	$ 1,250,000	$ 185,000	$ 1,065,000

On November 12, 2004, Jackson County entered into a contract with the Airport Authority to fund repayment of an issue of $2,600,000 Series 2004 revenue notes which mature on April 19, 2019 and bear interest at a variable rate of LIBOR + .75 basis points (1.045% as of 12/31/2013). These bonds were issued to fund construction of the Emory hangar, additional T hangars, and runway expansion. Repayment of the proceeds began on April 1, 2007.

The annual requirements to amortize this debt using the variable interest rate of effective at December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 185,000	$ 10,075	$ 195,075
2015	215,000	8,122	223,122
2016	225,000	6,077	231,077
2017	240,000	3,906	243,906
2018	255,000	1,631	256,631
2019-2021	130,000	264	130,264
Total	$ 1,250,000	$ 30,075	$ 1,280,075

Long-term liability activity for the *Health Department* for the year ended December 31, 2013 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Compensated absences	$ 55,138	$ 45,629	$ (69,483)	$ 53,646	$ 11,016	$ 42,630

Long-term liability activity for the *Jackson County Water and Sewerage Authority* for the year ended December 31, 2013 was as follows:

Business-type Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Revenue bonds	$ 15,570,000	$ -	$ (1,322,000)	$ 14,248,000	$ 1,368,000	$ 12,880,000
For issuance premiums and discounts	486,338	-	(83,034)	403,304	77,252	326,052
Total Revenue Bonds	16,056,338	-	(1,405,034)	14,651,304	1,445,252	13,206,052
Contracts Payable	16,342,666	-	(799,280)	15,543,386	828,344	14,715,042
Total Contracts Payable	16,342,666	-	(799,280)	15,543,386	828,344	14,715,042
Notes Payable	165,805	-	(22,869)	142,936	22,870	120,066
Compensated absences	65,458	67,424	(43,948)	88,934	30,814	58,120
Business-type activities long-term liabilities	$ 32,630,267	$ 67,424	$ (2,271,131)	$ 30,426,560	$ 2,327,280	$ 28,099,280

All principal and interest payments on long-term debt are presented below. See additional details on debt following this table.

December 31	Principal	Interest	Total
2014	$ 2,219,214	$ 1,367,881	$ 3,587,095
2015	2,300,545	1,286,779	3,587,324
2016	2,400,142	1,192,586	3,592,728
2017	2,498,777	1,083,090	3,581,867
2018	2,615,526	968,854	3,584,380
2019-2023	12,112,108	2,937,021	15,049,129
2024-2028	5,788,010	612,610	6,400,620
Total	$ 29,934,322	$ 9,448,821	$ 39,383,143

REVENUE BONDS

The Authority issues bonds where the Authority pledges income derived from the acquired or constructed assets to pay debt service.

During 1999, the Authority issued $3,525,000 of Series 1999A Bonds and $4,055,000 Series 1999B Bonds for construction of water lines. The bonds carry a rate of interest ranging from 4.45%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. Monthly, the Authority is required to deposit the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of these bonds is September 1, 2021. The 1999B Series bonds were partially refunded in December 2006. See note about the 2006A series bonds. The 1999A Series bonds were repaid in 2011. See note about the 2011A series bonds.

The Authority constructed, using the proceeds from Series 1999A Bonds, new infrastructure to provide a significant number of gallons of potable water needed at the Georgia Power electric-generator plant each day. The maximum water required to be provided is 500,000 gallons per day. Georgia Power has the option to increase their maximum volume to 1,300,000 gallons per day. It is expected that the revenues from the sale of this water would be sufficient to cover the costs of providing it.

The Authority has constructed water lines from the Bear Creek Water Treatment Plant to Jackson County Water and Sewerage Authority line for a new source of water purchases. The Authority financed these lines by Series 1999B Bond Issue.

During 2000, the Authority issued $12,780,000 of Series 2000A Bonds. The 2000A bonds are to acquire and upgrade a wastewater treatment plant. The bonds carry a rate of interest ranging from 4.30%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority is providing for the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of the 2000A series of bonds is September 1, 2022. The 2000A Series bonds were partially refunded in December 2006. See note about the 2006A series bonds. The remaining bonds were repaid in the current year.

During 2006, the Authority issued $12,090,000 of Series 2006A revenue bonds to provide funds to partially advance refund the Authority's 1999B and 2000A series bonds. These bonds which bear interest rates from 3.50% to 5.25% mature September 1, 2022. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority placed $14,277,228 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 1999B and 2000A maturing 2007 through 2012. The refunding reduced the aggregate debt services payments by almost $690,107 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $563,007. The accounting loss on the refunding was approximately $1,233,357. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 1999B and 2000A as of December 31, 2013 was $2,555,000 and $8,160,000.

During 2006, the Authority issued $5,530,000 of Series 2006B revenue bonds to provide funds for improvements to the system. The bonds, which bear interest rates ranging from 3.5% to 5%, mature September 1, 2011. The County has entered into a contract with the Authority to provide funds to repay those bonds. The County has allocated 16.25% of the Special Purpose Local Option Sales tax which commenced July 1, 2005 toward this obligation. See further discussion under pledged revenues.

During 2011, the Authority issued $2,517,000 of Series 2011A revenue bonds to provide funds to repay the Authority's remaining 1999A series bonds. These bonds which bear interest rates at 2.92% mature September 1, 2020. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The refunding reduced the aggregate debt services payments by almost $352,270 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $269,635. The accounting loss on the refunding was approximately $69,408. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method.

During 2011, the Authority issued $2,526,000 of Series 2011B revenue bonds to provide funds to fully repay the Authority's 2002 GEFA loan. These bonds which bear interest rates from 2.77% mature September 1, 2026. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The refunding reduced the aggregate debt services payments by almost $139,426 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $148,954. There was no accounting loss on the refunding.

The annual requirements to amortize this debt using the variable interest rate of effective at December 31, 2013 are as follows:

December 31	Principal	Interest	Total
2014	$ 1,368,000	$ 609,277	$ 1,977,277
2015	1,413,000	564,015	1,977,015
2016	1,469,000	513,583	1,982,583
2017	1,523,000	449,500	1,972,500
2018	1,592,000	382,910	1,974,910
2019-2023	6,282,000	802,374	7,084,374
2023-2027	601,000	33,600	634,600
Total	$ 14,248,000	$ 3,355,259	$ 17,603,259

UPPER OCONEE BASIN WATER AUTHORITY CONTRACT

On November 1, 1997, the Upper Oconee Basin Water Authority (the Issuer) issued $60,770,000 of Revenue Bonds, Series 1997 (UOBWA) in order to finance the acquisition, construction and installation of a water supply reservoir and a water treatment plant (collectively the Project). These Bonds, which mature July 1, 2027, bear interest at rates from 4.25% to 5.25%. The Issuer is governed by a board composed of ten members, four of whom are the chief elected officials of the member counties: Athens-Clarke, Barrow, Jackson, and Oconee Counties, whose regular terms shall be concurrent with their terms of office; four of whom are appointed by the governing authority of each Member County, whose terms shall be for one year; one who is appointed by the by the Upper Oconee Resource Management Commission, whose term shall be for a period of two years; and one who is appointed by the previously identified nine members of the board, whose term shall be for a period of two years.

Jackson County has entered into an Intergovernmental Agreement dated July 22, 1996, with UOBWA, Barrow County, and Oconee County that requires each county to pay its proportional share of the principal and interest payments on this debt. Those shares are Barrow County 37.520%, Jackson County 41.521%, and Oconee County 20.959%. While Jackson County has the legal obligation to make these payments, it is anticipated that the payments will be financed by the sale of water by the Jackson County Water and Sewerage Authority.

In the event that the funds from such sales are not sufficient to pay the principal and interest, Jackson County has the obligation to levy property taxes sufficient to make them.

In order to present the impact of this project fairly, the debt and related intangible asset, "Water Plant Capacity", are recorded as part of the Jackson County Water & Sewerage enterprise fund even though the legal obligation belongs to Jackson County. The Water Plant Capacity intangible asset is being amortized on a straight line basis over the life of the underlying assets of the UOBWA, 100 years for the dam/reservoir and 50 years for the water treatment facility.

During 2005, the Upper Oconee Basin Water Authority issued $48,155,000 of revenue bonds (Series 2005) for a partial refunding of $51,105,000 of the Authority's Series 1997 revenue bonds. The refunding was undertaken to reduce total future debt service payments. The accounting gain for the County on the refunding was approximately $1,224,870. This gain was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method.

The scheduled payments of principal and interest are as follows:

December 31	UOBWA Principal	UOBWA Interest	UOBWA Total
2014	$ 828,344	$ 758,604	$ 1,586,948
2015	864,675	722,764	1,587,439
2016	908,272	679,003	1,587,275
2017	952,907	633,590	1,586,497
2018	1,000,656	585,944	1,586,600
2019-2023	5,801,522	2,134,647	7,936,169
2024-2028	5,187,010	579,010	5,766,020
Total	$ 15,543,386	$ 6,093,562	$ 21,636,948

GEFA LOANS

The Authority entered into a loan with the Georgia Environmental Facilities Authority (GEFA) during 1999 to provide water service to the Hidden Oaks Subdivision. The loan had a draw capacity of $449,422. Only $173,100 of this loan is required to be repaid at zero interest, with the balance being a subsidy. The loan is payable quarterly beginning June 1, 2000 and matures June 1, 2020.

During 2003, the Authority obtained an additional loan from GEFA for $2,882,291 at 3.98%. This loan along with a $1,500,000 grant from the U.S Department of Commerce Economic Development Administration and a $300,000 grant from the Appalachian Regional Commission was used to pay for sewer additions to serve new and existing industrial customers in the Allen Creek and Possum Creek area of the county including Toyota Industries North American, Inc.

December 31	GEFA Principal	GEFA Subsidy	GEFA Total
2014	$ 8,877	$ 13,993	$ 22,870
2015	8,877	13,993	22,870
2016	8,877	13,993	22,870
2017	8,877	13,993	22,870
2018	8,877	13,993	22,870
2019-2022	11,097	17,489	28,586
Total	$ 55,482	$ 87,454	$ 142,936

PLEDGED REVENUE

Jackson County Water & Sewer Authority has pledged future water and sewer revenues, net of specified operating expenses, to repay an original debt of $58.9 million. This debt is payable solely from water and sewer net revenues and is payable through 2026. The total principal and interest remaining to be paid is $42.1 million. Principal and interest paid for the current year was $3.4 million which was approximately 78.0% of net revenues. The County provided a subsidy of $2.0 million to assist in making these payments.

The County has pledged, as security for the 2011 General Obligation bonds payable through 2017, a portion of the County's Special Purpose Local Option Sales Tax (SPLOST) 5 revenue which commenced July 1, 2011. In addition to this pledged revenue, these bonds are backed by the full faith and credit of the County. The total principal and interest remaining to be paid is $22.1 million. Principal and interest paid for the current year was $0.7 million which was approximately 15.0% of net revenues.

OPERATING LEASES

The County is obligated under various operating leases for equipment purchases that have an initial term in excess of 1 year. Total cost for such leases were $157,722 for the year ended December 31, 2013. Future minimum rental payments are as follows:

December 31	Minimum Payment
2014	$ 143,995
2015	103,797
2016	18,119
Total	$ 265,911

NOTE 8 - INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances as of December 31, 2013, is as follows:

	Due From						
Due To	General Fund	SPLOST	Capital Projects Fund	Other Nonmajor Governmental Funds	Sold Waste Disposal Facility	Fuel Depot	Total Due from Other Funds
General Fund	$ -	$ 2,091,411	$ 479,743	$ 1,408,177	$1,462,021	$ 11,583	$ 5,452,935
Debt Service Fund	343,236	366,985	-	-	-	-	710,221
Capital Projects Fund	376,366	-	-	-	-	-	376,366
Nonmajor Governmental Funds	579,932	-	-	-	-	-	579,932
Mayfield Treatment Plant Fund	4,565	-	-	-	-	-	4,565
Fuel Depot Fund	618	-	-	-	-	-	618
Total Due to Other Funds	$ 1,304,717	$ 2,458,396	$ 479,743	$ 1,408,177	$1,462,021	$ 11,583	$ 7,124,637

These balances resulted from 1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, 2) the time lag between the dates that transactions are recorded in the accounting system, 3) the time lag between the dates that payments between funds are made, 4) short-term loans, and 5) to fund capital projects.

Interfund transfers as of the year ended December 31, 2013 are as follows:

	Transfers in			
Transfers Out	General Fund	Debt Service	Other Nonmajor Governmental Funds	Sold Waste Disposal Facility
General Fund	$ -	$6,905,275	$ 972,358	$ 208,241
SPLOST	143,835	-	-	-
Capital Projects Fund	99	-	2,204,901	-
Other Nonmajor Governmental Funds	257,102	-	-	-
Total - Transfers in	$ 401,036	$6,905,275	$ 3,177,259	$ 208,241

Transfers are used to 1) supplement operating budgets, 2) pay for the Soccer Complex, 3) help fund construction projects and debt service, 4) reimburse unrestricted revenue, 5) reimburse pension costs, and 6) move the County's matching portion on federal and state grants.

NOTE 9 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

Plan Description

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time, the contribution rates for the County and its plan participants. The Plan issues a stand-alone report. This report may be obtained from: GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement adopted by resolution of the County Board of Commissioners , is affiliated with the Association County Commissioners of Georgia Second Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by the Government Employee's Benefit Corporation (GEBCorp). The ACCG, in its role as Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of The ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document.

The County's covered payroll for employees participating in the Plan as of January 1, 2014, (the most recent actuarial valuation date) was $7,718,247 (based on covered earnings of preceding year).

Before January 1, 1998, all full-time County employees were eligible to participate in the Plan after completing three years of service. No employees can become participants after January 1, 1998. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan, but not beyond age 70. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.00% of average compensation up to $6,600 plus 1.50% of average compensation in excess of $6,600 plus $36.00 for each year of credited service payable as a life annuity. Service is limited to 35 years.

Effective January 1, 2004, the plan was changed to allow certain Department of Public Safety employees to enter the plan and purchase prior service with their 401(a) account balance as of December 31, 2003. This plan change resulted in an increase in plan cost by approximately 2.3% of payroll.

Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

All benefit accruals are frozen as of November 30, 1997, except employees electing to remain in the Plan with unfrozen benefits or any employee who retires prior to November 30, 2007. Any employee who retires prior to November 30, 2007 has the option to accrue benefits until their actual date of retirement and forfeit their right to their account balance in their supplemental 401(a) plan.

The Plan's financial statements are prepared on a cash basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in the cash value of death benefits.

Plan assets do not include any loans, notes, bonds, or other instruments or securities of the County or related parties.

Funding Policy

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

Contributions totaling $702,165 ($702,165 employer and $0 employee) were made in accordance with actuarially determined contribution requirements determined by an actuarial valuation performed as of January 1, 2014. Employer contributions attributable to the 2013 Plan Year were made in 2013. The employer contribution represents 9.1% of covered payroll (using the prior year's earnings as a base).

Annual Pension Cost

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and the Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and its plan participants.

The County's contributions to the Plan for the years ended December 31, 2013, 2012, and 2011 were $702,165, $671,674, and $688,312, respectively, and were equal to the required contribution for each year.

The Schedule of Pension Funding Progress included in the required supplementary information presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. The data for the most current year are as follows:

Actuarial Date of January 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
2013	$ 8,953,659	$12,278,627	$ 3,324,968	72.9%	$ 7,718,247	43.1 %

The annual required contribution and percentage contributed for the current year and preceding two years are as follows:

Fiscal Year December 31	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation
2013	$ 704,220	$ 702,165	99.7 %	$ (376,898)
2012	$ 636,712	$ 671,674	105.5 %	$ (378,953)
2011	$ 634,640	$ 688,312	108.5 %	$ (343,991)

The information was determined as part of the actuarial valuation as of January 1, 2013. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2013
Actuarial Cost method	Projected Unit Credit
Amortization method	Level Percent of Pay (Closed)
Remaining amortization period	10 years
(The estimated amortization period for all unfunded liabilities combined into one amount.)	
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate return*	7.50%
Projected salary increases*	2.0%-4.5%
*Includes inflation at	3.0%
Cost-of-living adjustments	N/A
Post-retirement benefit increases	N/A

The County's annual pension cost and net pension obligation for the pension plan for the current year were determined as follows:

Derivation of annual pension cost:	2013	2012
Annual required contribution	$ 702,165	$ 634,846
Interest on net pension obligation	(29,369)	(26,659)
Amortization of net pension obligation	31,424	28,525
Annual pension cost	704,220	636,712
Contributions made with interest	(702,165)	(671,674)
Increase (decrease) in net pension obligation	2,055	(34,962)
Net pension obligation, beginning of year	(378,953)	(343,991)
Net pension obligation, end of year	$ (376,898)	$ (378,953)

DEFINED CONTRIBUTION PLAN

Effective January 1, 1998, the County, by resolution, adopted the ACCG Defined Contribution Money Purchase Plan, which operates in conjunction with the Deferred Compensation Plan. In August 2008, the County switched companies from ACCG to ICMA Retirement Corporation. There is no waiting period for employees to participate. In August 2008, the County adopted a graduated vesting system, as follows: after 2 years of service, employees are 25% vested; after 3 years of service, employees are 50% vested; after 4 years of service, employees are 75% vested; and after 5 years of service, employees are 100% vested. The department heads are 50% vested after 1 year of service and 100% vested after 2 years of service. The County contributes 4% of salary as a base contribution for employees with 0-9 years of service, 5% for employees with 10-14 years of service, 6% for employees with 15-19 years of service, and 7% for employees with 20 or more years of service. In addition, the County will match 50% of employee voluntary contributions up to 6% of salary. The County may change the contribution requirements by resolution.

The employee contributions for 2013 were $549,659 and the County base contribution was $347,523. Due to the economic slowdown, the County has not made any matching contributions for the year.

DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Because the assets are held in trust for the employees, they are not assets of the County and are not reported in these financial statements.

OTHER POST-RETIREMENT BENEFITS

Plan Description

The County administers a single-employer defined benefit healthcare plan, the Jackson County Retirement Medical Plan, established by resolution. The plan coverages and contribution requirements may be amended by resolution as well. The plan provides healthcare coverage including medical, dental, and vision, for eligible retirees, their spouses, and dependent children through the county's health insurance plan, which covers both active and retired members. The plan does not issue a stand-alone report.

Any employee with 20 or more years of service who retires between 60 and 65 years of age may continue on the County's health insurance plan at the same cost as an active employee. This includes coverage for their spouse. At age 65 or normal Medicare retirement age, if earlier, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates. The spouse may continue on the County's health plan at the employee's cost until the spouse reaches age 65. Employees may choose the greater of this benefit or the benefit described below.

Public Safety Employees

Eligible employees are those age 55 with a minimum of 20 years of full-time, certified public safety service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

Non Public Safety Employees

Eligible employees are those age 60 with a minimum of 20 years of full-time service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

Funding Policy

For fiscal year 2013, the County contributed $77,663 to the plan. These benefits are funded on a "pay as you go" method. In fiscal year 2013, total member contributions were $21,598, through their required contribution of which ranged from $448 to $464 per month for retiree only coverage and from $1,127 to $1,166 per month for retiree and spouse coverage (depending on the plan coverage chosen).

Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution by the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	2013	2012
Annual required contribution	$ 744,864	$ 796,666
Interest on net OPEB obligation	137,884	109,166
Adjustment to annual required contribution	(131,722)	(104,288)
Annual OPEB cost	751,026	801,544
Employer contributions made with interest	(77,663)	(83,588)
Increase (decrease) in net OPEB obligation	673,363	717,956
Net OPEB obligation, Beginning of year	3,447,106	2,729,150
Net OPEB obligation, End of year	$ 4,120,469	$ 3,447,106

The County performs actuarial valuations every two years. The data for 2013 is projected based on rates from 2012 applied to 2013 salaries.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the preceding two years were as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	$ 751,026	$ 77,663	10.3%	$ 4,120,469
2012	$ 801,544	$ 83,588	10.4%	$ 3,447,106
2011	$ 775,102	$ 84,799	10.9%	$ 2,729,150

Funded Status and Funding Progress

The data for the most current year are as follows:

As of January 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
2012	$ -	$6,302,572	$ 6,302,572	0.0%	$13,469,520	46.8%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information, following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Actuarial valuations are done biennially. Additional years will be added over time.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The information was determined as part of the actuarial valuation as of January 1, 2012. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2012
Actuarial cost method	Projected Unit Credit
Amortization method	30-year open period; level percentage of pay payment
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate return	4.00%
Post-retirement benefit increases	0%
Projected salary increases	0%
Includes inflation at	3.00%
Healthcare cost trend rate(s):	
Select rates	9.50% for 2012 graded to 5.00% for 2018
Ultimate rate	5.00%

OTHER PLANS

In addition to the above pension plans, the following pension plans cover County employees but the county is not legally responsible for contributions to the pension plans. Other governmental entities are legally responsible for these contributions as well as required disclosures.

Probate Judges' Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriffs' Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and Sheriff's Deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Georgia State Employees' Retirement System

The Health Department's eligible employees participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system covering employees of local boards of health and various agencies and departments of the State of Georgia. ERS is funded through employer and employee contributions and the Health Department has no legal obligation for paying benefits.

NOTE 10 - 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.

GROUP HEALTH INSURANCE

The government carries commercial insurance for its employees through a fully-insured plan with Association County Commissioners of Georgia/Blue Cross Blue Shield of Georgia (ACCG/BCBS).

WORKERS' COMPENSATION

The County participates in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund (GSIWCF) (FUND), 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 up to $450,000 per individual claim are paid by the Fund.

However, 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, 2013, there was no need for such an assessment. Therefore, no liability has been included in these financial statements.

As part of these risk pools, (IRMA & 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 the 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 the 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.

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.

OTHER

Jackson County is a member of the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA). IRMA is a group self-insurance fund covering general liability, automobile damage and theft, fire damage, and employee dishonesty for Georgia County governments. IRMA pays losses up to $100,000 per individual claim or $1,000,000 for all claims. However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer.

The members of IRMA are assessable if the losses that IRMA must pay exceed the assets of the pool. At December 31, 2013, there was no need for such an assessment.

NOTE 11 - RELATED PARTY TRANSACTIONS

Jackson County is one of four member counties of the Upper Oconee Basin Water Authority, a public body corporate and politic created in 1994 by an act of the General Assembly of the State of Georgia (the "Act"). Pursuant to the Act, the Authority is authorized to acquire and develop adequate sources of water supply, including but not limited to the construction of reservoirs; the treatment of such water, and thereafter the transmission of such water within the Upper Oconee Basin area, and to the various counties, municipalities, and public authorities within the Upper Oconee Basin area; to conserve water; to fulfill its purposes and perform its projects in an environmentally sensitive manner; and to strictly limit interbasin transfers of water. The County has entered into the Intergovernmental Reservoir and Raw Water Supply Agreement with the Authority as well as the Intergovernmental Water Treatment and Transmission Agreement as well as certain supplemental contracts whereby the County agrees to provide funds for the operation and maintenance of the Project and to the extent another Member County fails to fulfill its obligation to pay costs of operating the Project, including payment of debts service, to provide additional funds for such costs, irrespective of the demand for or the Project's output of water. Complete financial statements for the Upper Oconee Basin Water Authority may be obtained from: Georgia Mountains Regional Commission, 305 Research Drive, Athens, Georgia 30605.

NOTE 12 - CONTINGENT LIABILITIES

The County is a party to several legal proceedings that normally occur in governmental operations. As of the date of this financial statement, no awards in these cases have been made against the County. The results of any litigation, however, contain elements of uncertainty, and liability, if any, which might result from these proceedings, would not, in the opinion of management, have a material adverse effect on the ability of the County to meet its financial obligations.

In May of 1999, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of $500,000 for the construction of a new Mental Health Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in December 2000 and continue until approximately December 2020.

In February of 2010, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of $500,000 for the renovation of the Senior Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in March 2011 and continue until approximately March 2031.

NOTE 13 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST

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 postclosure 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 postclosure 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 year amortization with respect to the postclosure costs is $62,691. The amount of postclosure care costs remaining as of December 31, 2013 is $921,580. The landfill was officially closed August 20, 1997.

NOTE 14 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. Several of the estimates qualified as a significant estimate, in that it is reasonably possible that the estimate will change in the near term due to one or more future confirming events and this change will have a material effect on the financial statements.

The estimate for the postclosure cost of the County's landfill, which was closed in 1994 qualifies as a significant estimate. Jackson County has estimated the remaining closure and the thirty-year post closure monitoring cost to be $921,580. The ultimate cost, however will depend on the extent of contamination found as the project progresses.

The estimate for allowance for doubtful accounts related to fines receivable and ambulance charges receivables qualifies as a significant estimate. The estimate is calculated based on prior years' collection experience.

The estimate for accumulated depreciation on capital assets qualifies as a significant estimate. This estimate is based on the original or estimated cost of the assets, depreciated over the estimated useful lives using the straight line method.

NOTE 15 - NORTHEAST GEORGIA REGIONAL COMMISSION

Jackson County, in conjunction with cities and counties in the ten (10) county Piedmont, Georgia area are members of the Northeast Georgia Regional Commission (NEGRC). Membership in a regional commission is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the regional commissions. Each county and municipality in the state is required by law to pay minimum annual dues to the regional commission. The county paid annual dues in the amount of $45,515 to the NEGRC for the year ended December 31, 2013. The NEGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the nonpublic Board member from a County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines regional commissions as public agencies and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of a regional commission beyond its resources. (O.C.G.A. 50-8-39.1)

Separate financial statements for the NEGRC may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30605

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION FUNDING PROGRESS
For the Year Ended December 31, 2013
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	$ 5,541,565	$ 7,459,332	74.3 %	$ 1,917,767	$ 4,852,396	39.5 %
2009	$ 5,709,193	$ 8,176,573	69.8 %	$ 2,467,380	$ 6,120,996	40.3 %
2010	$ 6,381,064	$ 10,171,507	62.7 %	$ 3,790,443	$ 7,199,794	52.6 %
2011	$ 7,183,581	$ 11,037,209	65.1 %	$ 3,853,628	$ 7,714,898	50.0 %
2012	$ 8,064,130	$ 11,614,535	69.4 %	$ 3,550,405	$ 8,107,248	43.8 %
2013	$ 8,953,659	$ 12,278,627	72.9 %	$ 3,324,968	$ 7,718,247	43.1 %

See Note 9 to the financial statements for the actuarial methods and significant assumptions used to determine the Actuarial Required Contribution for the current year and the funded status of the plan.

Effective January 1, 2004, the plan was changed to allow certain Department of Public Safety employees to enter the plan and purchase prior service with their 401A account balance as of December 31, 2003. This plan change resulted in an increase in plan cost of approximately 2.3% of payroll.

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets available for benefits as a percentage of the actuarial accrued liability provides one indication of funding status on a going concern basis. Analysis of this percentage over time indicates whether the system is becoming financial stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER POST RETIREMENT BENEFITS FUNDING PROGRESS
For the Year Ended December 31, 2013
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	$ -	$ 4,757,902	- %	$ 4,757,902	$ 13,331,911	35.69 %
2010	$ -	$ 5,862,271	- %	$ 5,862,271	$ 15,002,260	39.08 %
2012	$ -	$ 6,302,572	- %	$ 6,302,572	$ 14,397,085	43.78 %

2008 was the first year that this plan was effective. The County has biennial actuarial valuations.

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2013
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 9,235,115	$ 9,235,115	$ 9,235,115	$ -
RESOURCES (INFLOWS)				
Taxes	27,619,300	27,619,300	28,347,472	728,172
Licenses and permits	46,700	48,400	63,447	15,047
Intergovernmental	485,576	1,054,186	1,206,414	152,228
Fines and forfeitures	823,000	823,000	915,495	92,495
Charges for services	3,730,200	3,751,002	3,619,755	(131,247)
Contributions and donations	-	-	49,421	49,421
Investment income	12,700	12,700	8,253	(4,447)
Miscellaneous	8,500	22,317	150,817	128,500
Sale of county property	-	9,069	8,233	(836)
Transfers in	106,794	121,794	401,036	279,242
Total Resources (Inflows)	32,832,770	33,461,768	34,770,343	1,308,575
AMOUNTS AVAILABLE FOR APPROPRIATION	42,067,885	42,696,883	44,005,458	1,308,575
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General Government				
Legislative	313,890	297,692	297,437	255
Chief executive	189,102	190,802	190,774	28
Elections	-	57,000	56,718	282
Voter registration	200,827	198,327	197,727	600
Financial administration	497,087	501,887	501,876	11
Purchasing	66,342	63,042	63,006	36
Data processing/MIS	737,924	699,488	698,851	637
Human resources	241,307	224,007	223,527	480
Tax commissioner	578,956	560,549	559,827	722
Tax assessor	639,402	721,178	720,741	437
Courthouse	311,242	297,242	296,530	712
Maintenance superintendent	621,137	669,452	669,327	125
Administration building	162,030	165,530	165,379	151
Board of Equalization	35,000	26,500	26,419	81
Commerce Service Center	19,700	31,961	31,806	155
Contingency	100,000	-	-	-
Total General Government	4,713,946	4,704,657	4,699,945	4,712
Judicial				
Superior court	358,720	358,325	265,031	93,294
Clerk of superior court	607,358	581,145	550,006	31,139
District attorney	426,742	428,442	419,366	9,076
State court	207,595	207,895	191,519	16,376
Magistrate court	265,608	282,408	281,946	462
Probate court	214,492	216,792	209,165	7,627
Juvenile court	407,708	413,608	413,323	285
Public defender	361,720	361,733	361,732	1
Solicitor-victims assistance	81,446	82,046	80,030	2,016
Solicitor-state court	282,870	283,970	280,777	3,193
Total Judicial	3,214,259	3,216,364	3,052,895	163,469
Public Safety				
Sheriff	5,133,318	5,403,922	5,372,715	31,207
Detention center	5,221,197	4,914,145	4,870,236	43,909
Correctional institute	2,082,446	2,168,152	2,167,192	960
Correctional institute fire brigade	51,490	57,490	57,452	38
Firemen's association	43,520	43,520	37,087	6,433
Coroner	49,306	56,306	55,533	773
Animal shelter	59,000	64,500	64,258	242
D.A.R.E.	191,940	176,001	175,987	14
County Marshal	78,378	78,578	75,390	3,188
Animal control	99,384	132,116	131,684	432
Total Public Safety	13,009,979	13,094,730	13,007,534	87,196

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2013
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
CONTINUED.....				
Public Works				
Roadways and walkways	1,422,203	1,722,331	1,505,452	216,879
Other maintenance	439,877	444,077	405,224	38,853
Street lighting	238,740	238,740	227,053	11,687
Engineering	-	30,000	28,061	1,939
Water and sewer administration	2,087,006	2,328,006	2,327,731	275
Total Public Works	4,187,826	4,763,154	4,493,521	269,633
Public Health and Welfare				
Health department	276,357	276,357	276,357	-
Senior citizens center	-	5,300	5,281	19
Transportation services	87,073	112,073	111,782	291
Mental health	15,300	15,300	15,243	57
Boys and Girls Club	10,000	22,600	22,511	89
Certified Literate Program	10,280	10,280	10,280	-
Family and children services	42,140	42,140	42,140	-
Peace Place subsidy	10,000	10,000	10,000	-
Other public health and welfare	25,000	25,000	22,500	2,500
Creative Center	15,098	15,098	9,490	5,608
Total Public Health and Welfare	491,248	534,148	525,584	8,564
Recreation and Culture				
Parks	-	107	107	-
Library	100,000	100,000	100,000	-
Total Recreation and Culture	100,000	100,107	100,107	-
Housing and development				
Conservation	3,375	4,575	4,500	75
Forestry	15,980	15,980	10,417	5,563
Economic development	105,000	105,000	100,000	5,000
Agencies	49,894	49,894	49,894	-
County agent	103,079	114,379	114,317	62
Other housing and development	52,949	81,949	81,431	518
Airport	104,577	2,163,377	2,141,846	21,531
GIS mapping	157,011	156,304	148,821	7,483
Total Housing and Development	591,865	2,691,458	2,651,226	40,232
Transfers out	8,073,853	8,219,357	8,085,874	133,483
TOTAL CHARGES TO APPROPRIATIONS	34,382,976	37,323,975	36,616,686	707,289
CHANGE IN FUND BALANCE	(1,550,206)	(3,862,207)	(1,846,343)	2,015,864
FUND BALANCE, End of year	$ 7,684,909	$ 5,372,908	$ 7,388,772	$ 2,015,864

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Fire District - to account for funds collected from taxes charged on property that are used to provide fire protection and control services.

Emergency 911 Telephone Service - to account for the cost of providing service to the County as provided in title 46, Chapter 5 of the Official Code of Georgia Annotated.

Emergency Management/Rescue – to account for funds received from grants and contributions for the emergency management agency/rescue programs.

Emergency Services/Ambulance - to account for the fees charged to users of the county ambulance service. The funds are used to operate the ambulance service.

Jail Fund - to account for funds collected from fines and forfeitures and other revenues to be used for the operation of the County jail.

Law Library - to account for funds collected from fines and forfeitures to be used to maintain the Law Library as provided in title 36, Chapter 15 of the Official Code of Georgia Annotated.

Keep Jackson Beautiful - to account for various grants and donations as well as subsidies from the General Fund to support various activities and projects that reduce littering and other practices that diminish the beauty of the County.

Protective Inspection/Planning and Zoning - to account for license and permit fees that are collected on new developments that are used for the planning of new developments in the County.

Parks and Recreation - to account for funds received from fees charged for the use of services with the parks and recreation programs.

Senior Center - to account for grants and other funds received for the operation of the county Senior Center.

Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

CDBG - to account for Community Development Block Grant received to be used for the acquisition or construction of major capital facilities.

JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	SPECIAL REVENUE FUNDS							
	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICES	EMERGENCY MANAGEMENT /RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING AND ZONING
ASSETS								
Cash	$ 3,728,569	$ 705,359	$ 100,521	$ -	$ 390,808	$ 83,748	$ -	$ -
Receivables (net of allowance for uncollectibles)	361,473	205,647	-	695,311	-	-	-	-
Interfund receivables	-	-	42,508	-	-	-	9,954	495,013
Prepaid items	224,075	64,421	-	62,730	-	-	-	-
Inventories	-	-	-	118,787	-	-	-	-
TOTAL ASSETS	$ 4,314,117	$ 975,427	$ 143,029	$ 876,828	$ 390,808	$ 83,748	$ 9,954	$ 495,013
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	$ 89,869	$ 57,146	$ 640	$ 63,957	$ 15,264	$ 6,231	$ 546	$ 15,830
Other accrued items	31,066	20,865	1,203	69,048	-	-	1,014	5,876
Interfund payables	36,613	759,703	-	402,777	12,075	30,982	-	-
Unearned revenue	2,129,430	-	-	510	-	-	-	250,000
TOTAL LIABILITIES	2,286,978	837,714	1,843	536,292	27,339	37,213	1,560	271,706
DEFERRED INFLOWS OF RESOURCES								
TOTAL LIABILITIES, AND DEFERRED INFLOWS OF RESOURCES	2,286,978	837,714	1,843	536,292	27,339	37,213	1,560	271,706
FUND BALANCES								
Nonspendable:								
Prepaid expenditure	224,075	64,421	-	62,730	-	-	-	-
Inventories	-	-	-	118,787	-	-	-	-
Restricted:								
Capital outlay projects	-	-	-	-	-	-	-	-
Judicial programs	-	-	-	-	-	46,535	-	-
Public safety programs	1,803,064	73,292	-	-	363,469	-	-	-
Committed:								
Public safety programs	-	-	141,186	159,019	-	-	-	-
Health and welfare programs	-	-	-	-	-	-	-	-
Housing and development programs	-	-	-	-	-	-	8,394	223,307
TOTAL FUND BALANCES	2,027,139	137,713	141,186	340,536	363,469	46,535	8,394	223,307
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 4,314,117	$ 975,427	$ 143,029	$ 876,828	$ 390,808	$ 83,748	$ 9,954	$ 495,013

JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
ASSETS	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	SUBTOTAL SPECIAL REVENUE FUNDS	CDBG	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Cash	$ -	$ 152,121	$ 49,518	$ 5,210,644	$ 314,121	$ 5,524,765
Receivables (net of allowance for uncollectibles)	-	28,534	-	1,290,965	327,958	1,618,923
Interfund receivables	32,457	-	-	579,932	-	579,932
Prepaid items	-	-	-	351,226	-	351,226
Inventories	-	-	-	118,787	-	118,787
TOTAL ASSETS	$ 32,457	$ 180,655	$ 49,518	$ 7,551,554	$ 642,079	$ 8,193,633
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 23,264	$ 2,171	$ -	$ 274,918	$ 185,876	$ 460,794
Other accrued items	9,193	92	-	138,357	-	138,357
Interfund payables	-	819	-	1,242,969	165,208	1,408,177
Unearned revenue	-	-	-	2,379,940	-	2,379,940
TOTAL LIABILITIES	32,457	3,082	-	4,036,184	351,084	4,387,268
DEFERRED INFLOWS OF RESOURCES						
TOTAL LIABILITIES, AND DEFERRED INFLOWS OF RESOURCES	32,457	3,082	-	4,036,184	351,084	4,387,268
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	-	-	-	351,226	-	351,226
Inventories	-	-	-	118,787	-	118,787
Restricted:						
Capital outlay projects	-	-	-	-	290,995	290,995
Judicial programs	-	-	-	46,535	-	46,535
Public safety programs	-	-	49,518	2,289,343	-	2,289,343
Committed:						
Public safety programs	-	-	-	300,205	-	300,205
Health and welfare programs	-	177,573	-	177,573	-	177,573
Housing and development programs	-	-	-	231,701	-	231,701
TOTAL FUND BALANCES	-	177,573	49,518	3,515,370	290,995	3,806,365
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 32,457	$ 180,655	$ 49,518	$ 7,551,554	$ 642,079	$ 8,193,633

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	SPECIAL REVENUE FUNDS							
	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICE	EMERGENCY MANAGEMENT/ RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING & ZONING
REVENUES								
Taxes	$ 1,808,631	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-	-	193,218
Intergovernmental	206,595	-	32,555	10,747	-	-	-	-
Fines and forfeitures	-	-	-	-	204,997	13,678	-	-
Charges for services	-	1,146,157	-	1,892,693	-	-	23,435	59,944
Contributions and donations	4,768	-	500	700	-	-	-	4,267
Investment income	2,378	-	-	-	-	-	-	-
Miscellaneous	22,694	-	-	-	3,444	-	-	-
TOTAL REVENUES	2,045,066	1,146,157	33,055	1,904,140	208,441	13,678	23,435	257,429
EXPENDITURES								
Current Expenditures								
Judicial	-	-	-	-	300	24,812	-	-
Public safety	1,779,769	1,155,467	116,230	3,502,432	100,402	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	70,476	389,600
Intergovernmental	-	-	-	-	-	-	-	-
Capital outlay	99,680	76,569	-	-	8,833	-	-	-
Debt service								
Principal	192,811	-	-	135,881	-	-	-	-
Interest	18,346	-	-	3,638	-	-	-	-
TOTAL EXPENDITURES	2,090,606	1,232,036	116,230	3,641,951	109,535	24,812	70,476	389,600
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(45,540)	(85,879)	(83,175)	(1,737,811)	98,906	(11,134)	(47,041)	(132,171)
OTHER FINANCING SOURCES (USES)								
Sale of county property	16,971	1,727	-	-	-	-	-	-
Capital lease proceeds	23,054	-	-	-	-	-	-	-
Transfers in	-	-	105,231	1,715,755	-	-	47,041	196,436
Transfers out	-	(20,544)	-	-	(176,560)	-	-	(59,998)
TOTAL OTHER FINANCING SOURCES (USES)	40,025	(18,817)	105,231	1,715,755	(176,560)	-	47,041	136,438
NET CHANGE IN FUND BALANCES	(5,515)	(104,696)	22,056	(22,056)	(77,654)	(11,134)	-	4,267
FUND BALANCES, Beginning of year	2,032,654	242,409	119,130	362,592	441,123	57,669	8,394	219,040
FUND BALANCES, End of year	$ 2,027,139	$ 137,713	$ 141,186	$ 340,536	$ 363,469	$ 46,535	$ 8,394	$ 223,307

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
REVENUES	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	SUBTOTAL SPECIAL REVENUE FUNDS	CDBG	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Taxes	$ -	$ -	$ -	$ 1,808,631	$ -	$ 1,808,631
Licenses and permits	-	-	-	193,218	-	193,218
Intergovernmental	2,022	207,910	-	459,829	1,052,256	1,512,085
Fines and forfeitures	-	-	69,893	288,568	-	288,568
Charges for services	368,995	16,962	14,700	3,522,886	549,370	4,072,256
Contributions and donations	-	-	-	10,235	117,248	127,483
Investment income	-	547	82	3,007	24	3,031
Miscellaneous	-	-	-	26,138	-	26,138
TOTAL REVENUES	371,017	225,419	84,675	6,312,512	1,718,898	8,031,410
EXPENDITURES						
Current Expenditures						
Judicial	-	-	-	25,112	-	25,112
Public safety	-	-	14,127	6,668,427	-	6,668,427
Public health and welfare	-	509,189	-	509,189	-	509,189
Recreation and culture	1,209,451	-	-	1,209,451	-	1,209,451
Housing and development	-	-	-	460,076	669,392	1,129,468
Intergovernmental	3,900	-	-	3,900	-	3,900
Capital outlay	-	-	22,785	207,867	758,511	966,378
Debt service						
Principal	-	-	-	328,692	-	328,692
Interest	-	-	-	21,984	-	21,984
TOTAL EXPENDITURES	1,213,351	509,189	36,912	9,434,698	1,427,903	10,862,601
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(842,334)	(283,770)	47,763	(3,122,186)	290,995	(2,831,191)
OTHER FINANCING SOURCES (USES)						
Sale of county property	-	-	-	18,698	-	18,698
Capital lease proceeds	-	-	-	23,054	-	23,054
Transfers in	842,334	270,462	-	3,177,259	-	3,177,259
Transfers out	-	-	-	(257,102)	-	(257,102)
TOTAL OTHER FINANCING SOURCES (USES)	842,334	270,462	-	2,961,909	-	2,961,909
NET CHANGE IN FUND BALANCES	-	(13,308)	47,763	(160,277)	290,995	130,718
FUND BALANCES, Beginning of year	-	190,881	1,755	3,675,647	-	3,675,647
FUND BALANCES, End of year	$ -	$ 177,573	$ 49,518	$ 3,515,370	$ 290,995	$ 3,806,365

JACKSON COUNTY, GEORGIA
DEBT SERVICE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 436,248	$ 436,248	$ 436,248	$ -
RESOURCES (INFLOWS)				
Transfer in	6,905,276	6,905,276	6,905,275	(1)
Total Resources (Inflows)	6,905,276	6,905,276	6,905,275	(1)
AMOUNTS AVAILABLE FOR APPROPRIATION	7,341,524	7,341,524	7,341,523	(1)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Debt service				
Principal	3,542,472	3,542,472	4,002,779	(460,307)
Interest	3,362,804	3,362,804	2,636,815	725,989
TOTAL CHARGES TO APPROPRIATIONS	6,905,276	6,905,276	6,639,594	265,682
CHANGE IN FUND BALANCE	-	-	265,681	265,681
FUND BALANCE, End of year	$ 436,248	$ 436,248	$ 701,929	$ 265,681

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
DEBT SERVICE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGETED AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 2,032,654	$ 2,032,654	$ 2,032,654	$ -
RESOURCES (INFLOWS)				
Taxes	2,236,269	2,236,269	1,808,631	(427,638)
Intergovernmental	-	-	206,595	206,595
Charges for services	6,000	6,000	-	(6,000)
Contributions and donations	-	-	4,768	4,768
Investment income	-	-	2,378	2,378
Miscellaneous	-	-	22,694	22,694
Sale of county property	-	4,860	16,971	12,111
Capital lease proceeds	-	-	23,054	23,054
Total Resources (Inflows)	2,242,269	2,247,129	2,085,091	(162,038)
AMOUNTS AVAILABLE FOR APPROPRIATION	4,274,923	4,279,783	4,117,745	(162,038)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	2,242,887	2,254,621	2,090,606	164,015
TOTAL CHARGES TO APPROPRIATIONS	2,242,887	2,254,621	2,090,606	164,015
CHANGE IN FUND BALANCE	(618)	(7,492)	(5,515)	1,977
FUND BALANCE, End of year	$ 2,032,036	$ 2,025,162	$ 2,027,139	$ 1,977

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY E911 TELEPHONE SYSTEM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 242,409	$ 242,409	$ 242,409	$ -
RESOURCES (INFLOWS)				
Charges for services	1,149,775	1,149,775	1,146,157	(3,618)
Sale of county property	-	-	1,727	1,727
Transfer in	-	129,422	-	(129,422)
Total Resources (Inflows)	1,149,775	1,279,197	1,147,884	(131,313)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,392,184	1,521,606	1,390,293	(131,313)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	1,340,179	1,469,601	1,232,036	237,565
Transfers out	-	-	20,544	(20,544)
TOTAL CHARGES TO APPROPRIATIONS	1,340,179	1,469,601	1,252,580	217,021
CHANGE IN FUND BALANCE	(190,404)	(190,404)	(104,696)	85,708
FUND BALANCE, End of year	$ 52,005	$ 52,005	$ 137,713	$ 85,708

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY MANAGEMENT/RESCUE SERVICES SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 119,130	$ 119,130	$ 119,130	$ -
RESOURCES (INFLOWS)				
Intergovernmental	22,056	22,056	32,555	10,499
Contributions and donations	33,000	33,500	500	(33,000)
Investment income	100	100	-	(100)
Transfer in	45,233	61,433	105,231	43,798
Total Resources (Inflows)	100,389	117,089	138,286	21,197
AMOUNTS AVAILABLE FOR APPROPRIATION	219,519	236,219	257,416	21,197
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	100,389	117,089	116,230	859
TOTAL CHARGES TO APPROPRIATIONS	100,389	117,089	116,230	859
CHANGE IN FUND BALANCE	-	-	22,056	22,056
FUND BALANCE, End of year	$ 119,130	$ 119,130	$ 141,186	$ 22,056

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY SERVICES/AMBULANCE SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 362,592	$ 362,592	$ 362,592	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	10,746	10,747	1
Charges for services	1,950,000	1,950,000	1,892,693	(57,307)
Contributions and donations	-	-	700	700
Transfer in	1,613,763	1,681,620	1,715,755	34,135
Total Resources (Inflows)	3,563,763	3,642,366	3,619,895	(22,471)
AMOUNTS AVAILABLE FOR APPROPRIATION	3,926,355	4,004,958	3,982,487	(22,471)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	3,563,763	3,642,366	3,641,951	415
TOTAL CHARGES TO APPROPRIATIONS	3,563,763	3,642,366	3,641,951	415
CHANGE IN FUND BALANCE	-	-	(22,056)	(22,056)
FUND BALANCE, End of year	$ 362,592	$ 362,592	$ 340,536	$ (22,056)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 441,123	$ 441,123	$ 441,123	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	86,566	196,866	204,997	8,131
Miscellaneous	-	-	3,444	3,444
Total Resources (Inflows)	86,566	196,866	208,441	11,575
AMOUNTS AVAILABLE FOR APPROPRIATION	527,689	637,989	649,564	11,575
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	-	300	300	-
Public safety	-	110,000	109,235	765
Transfers out	86,566	176,566	176,560	6
TOTAL CHARGES TO APPROPRIATIONS	86,566	286,866	286,095	771
CHANGE IN FUND BALANCE	-	(90,000)	(77,654)	12,346
FUND BALANCE, End of year	$ 441,123	$ 351,123	$ 363,469	$ 12,346

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 57,669	$ 57,669	$ 57,669	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	22,000	22,000	13,678	(8,322)
Investment income	50	50	-	(50)
Total Resources (Inflows)	22,050	22,050	13,678	(8,372)
AMOUNTS AVAILABLE FOR APPROPRIATION	79,719	79,719	71,347	(8,372)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	10,000	10,000	24,812	(14,812)
Transfers out	20,228	20,228	-	20,228
TOTAL CHARGES TO APPROPRIATIONS	30,228	30,228	24,812	5,416
CHANGE IN FUND BALANCE	(8,178)	(8,178)	(11,134)	(2,956)
FUND BALANCE, End of year	$ 49,491	$ 49,491	$ 46,535	$ (2,956)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE
1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
KEEP JACKSON BEAUTIFUL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 8,394	$ 8,394	$ 8,394	$ -
RESOURCES (INFLOWS)				
Charges for services	21,500	21,500	23,435	1,935
Transfer in	48,928	49,128	47,041	(2,087)
Total Resources (Inflows)	70,428	70,628	70,476	(152)
AMOUNTS AVAILABLE FOR APPROPRIATION	78,822	79,022	78,870	(152)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	70,428	70,628	70,476	152
TOTAL CHARGES TO APPROPRIATIONS	70,428	70,628	70,476	152
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, End of year	$ 8,394	$ 8,394	$ 8,394	$ -

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
PROTECTIVE INSPECTION/PLANNING AND ZONING SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 219,040	$ 219,040	$ 219,040	$ -
RESOURCES (INFLOWS)				
Licenses and permits	157,711	189,211	193,218	4,007
Charges for services	30,000	59,000	59,944	944
Contributions and donations	-	-	4,267	4,267
Transfer in	200,892	202,286	196,436	(5,850)
Total Resources (Inflows)	388,603	450,497	453,865	3,368
AMOUNTS AVAILABLE FOR APPROPRIATION	607,643	669,537	672,905	3,368
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	388,603	390,028	389,600	428
Transfers out	-	60,469	59,998	471
TOTAL CHARGES TO APPROPRIATIONS	388,603	450,497	449,598	899
CHANGE IN FUND BALANCE	-	-	4,267	4,267
FUND BALANCE, End of year	$ 219,040	$ 219,040	$ 223,307	$ 4,267

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
PARKS AND RECREATION SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	-	2,022	2,022
Charges for services	291,582	306,582	368,995	62,413
Transfer in	913,061	915,061	842,334	(72,727)
Total Resources (Inflows)	1,204,643	1,221,643	1,213,351	(8,292)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,204,643	1,221,643	1,213,351	(8,292)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Recreation and culture	1,192,643	1,209,643	1,209,451	192
Intergovernmental	12,000	12,000	3,900	8,100
TOTAL CHARGES TO APPROPRIATIONS	1,204,643	1,221,643	1,213,351	8,292
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, End of year	$ -	$ -	$ -	$ -

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 190,881	$ 190,881	$ 190,881	$ -
RESOURCES (INFLOWS)				
Intergovernmental	218,260	218,260	207,910	(10,350)
Charges for services	13,000	14,000	16,962	2,962
Investment income	-	-	547	547
Transfer in	277,147	277,147	270,462	(6,685)
Total Resources (Inflows)	508,407	509,407	495,881	(13,526)
AMOUNTS AVAILABLE FOR APPROPRIATION	699,288	700,288	686,762	(13,526)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public health and welfare	508,407	509,407	509,189	218
TOTAL CHARGES TO APPROPRIATIONS	508,407	509,407	509,189	218
CHANGE IN FUND BALANCE	-	-	(13,308)	(13,308)
FUND BALANCE, End of year	$ 190,881	$ 190,881	$ 177,573	$ (13,308)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 1,755	$ 1,755	$ 1,755	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	11,500	36,500	69,893	33,393
Charges for services	-	-	14,700	14,700
Investment income	500	500	82	(418)
Total Resources (Inflows)	12,000	37,000	84,675	47,675
AMOUNTS AVAILABLE FOR APPROPRIATION	13,755	38,755	86,430	47,675
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	12,000	37,000	36,912	88
TOTAL CHARGES TO APPROPRIATIONS	12,000	37,000	36,912	88
CHANGE IN FUND BALANCE	-	-	47,763	47,763
FUND BALANCE, End of year	$ 1,755	$ 1,755	$ 49,518	$ 47,763

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tag and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Courts - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to various taxing units and other parties.

Probate Court - to account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc. which are disbursed to various taxing units and other parties.

Magistrate Court - to account for the collection of fees for garnishments and small claims, etc. which are disbursed to various taxing units and other parties.

Federal Equity Sharing – to account for the collection and distribution of federally seized funds.

Sheriff - to account for the collection of cash bonds, fines, forfeitures, fifas, etc. which are disbursed to various taxing units and other parties.

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
December 31, 2013

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash	$ 4,442,562	$ 503,993	$ 5,954	$ 14,522	$ 10,241	$ 108,920	$ 5,086,192
TOTAL ASSETS	$ 4,442,562	$ 503,993	$ 5,954	$ 14,522	$ 10,241	$ 108,920	$ 5,086,192
LIABILITIES							
Amounts held in trust	$ 4,442,562	$ 503,993	$ 5,954	$ 14,522	$ 10,241	$ 108,920	$ 5,086,192
TOTAL LIABILITIES	$ 4,442,562	$ 503,993	$ 5,954	$ 14,522	$ 10,241	$ 108,920	$ 5,086,192

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended December 31, 2013

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash							
Balance, January 1, 2013	$ 5,886,660	$ 388,376	$ 12,706	$ 16,058	$ 10,241	$ 148,485	$ 6,462,526
Additions	74,414,308	3,811,636	239,338	497,381	-	703,333	79,665,996
Deductions	(75,858,406)	(3,696,019)	(246,090)	(498,917)	-	(742,898)	(81,042,330)
Balance, December 31, 2013	4,442,562	503,993	5,954	14,522	10,241	108,920	5,086,192
TOTAL ASSETS	$ 4,442,562	$ 503,993	$ 5,954	$ 14,522	$ 10,241	$ 108,920	$ 5,086,192
LIABILITIES							
Due to County							
Balance, January 1, 2013	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Additions	23,737,097	1,663,056	158,374	231,622	-	303,147	26,093,296
Deductions	(23,737,097)	(1,663,056)	(158,374)	(231,622)	-	(303,147)	(26,093,296)
Balance, December 31, 2013	-	-	-	-	-	-	-
Amounts held in trust							
Balance, January 1, 2013	5,886,660	388,376	12,706	16,058	10,241	148,485	6,462,526
Additions	50,677,211	2,148,580	80,964	265,759	-	400,186	53,572,700
Deductions	(52,121,309)	(2,032,963)	(87,716)	(267,295)	-	(439,751)	(54,949,034)
Balance, December 31, 2013	4,442,562	503,993	5,954	14,522	10,241	108,920	5,086,192
Total Liabilities							
Balance, January 1, 2013	5,886,660	388,376	12,706	16,058	10,241	148,485	6,462,526
Additions	74,414,308	3,811,636	239,338	497,381	-	703,333	79,665,996
Deductions	(75,858,406)	(3,696,019)	(246,090)	(498,917)	-	(742,898)	(81,042,330)
TOTAL LIABILITIES	$ 4,442,562	$ 503,993	$ 5,954	$ 14,522	$ 10,241	$ 108,920	$ 5,086,192

COMPONENT UNIT

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable.

Airport Authority – to account for the operation the county's noncommercial airport facility. All activities necessary to provide airport services are accounted for in the component unit, including, but not limited to operations, maintenance, financing and related debt service.

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF NET POSITION
December 31, 2013

	OPERATIONS	CAPITAL	TOTAL
ASSETS			
Current Assets			
Cash	$ 319,006	$ -	$ 319,006
Receivables (net of allowance for uncollectibles)	339	15,526	15,865
Inventories	68,128	-	68,128
TOTAL CURRENT ASSETS	387,473	15,526	402,999
Noncurrent Assets			
Capital assets			
Capital assets not being depreciated	10,507,220	38,297	10,545,517
Capital assets being depreciated	4,348,642	-	4,348,642
Less: accumulated depreciation	(1,634,538)	-	(1,634,538)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	13,221,324	38,297	13,259,621
TOTAL NONCURRENT ASSETS	13,221,324	38,297	13,259,621
TOTAL ASSETS	13,608,797	53,823	13,662,620
LIABILITIES			
Current Liabilities			
Accounts payable	1,886	-	1,886
Other accrued items	1,654	-	1,654
Accrued interest payable	2,936	-	2,936
Due to primary government	113,322	38,297	151,619
Notes payable	185,000	-	185,000
TOTAL CURRENT LIABILITIES	304,798	38,297	343,095
Noncurrent Liabilities			
Notes payable	1,065,000	-	1,065,000
TOTAL NONCURRENT LIABILITIES	1,065,000	-	1,065,000
TOTAL LIABILITIES	1,369,798	38,297	1,408,095
NET POSITION			
Net investment in capital assets	11,971,324	38,297	12,009,621
Unrestricted	267,675	(22,771)	244,904
TOTAL NET POSITION	$ 12,238,999	$ 15,526	$ 12,254,525

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended December 31, 2013

	OPERATIONS	CAPITAL	TOTAL
OPERATING REVENUES			
Charges for services	$ 358,642	$ -	$ 358,642
Intergovernmental	-	16,326	16,326
Total Operating Revenues	358,642	16,326	374,968
OPERATING EXPENSES			
Cost of goods sold	249,234	-	249,234
Salaries	52,747	-	52,747
Benefits	7,545	-	7,545
Credit card fees	7,633	-	7,633
Depreciation	170,277	-	170,277
Other costs	28,143	821	28,964
Professional fees	10,950	-	10,950
Repairs and maintenance	24,337	-	24,337
Supplies	6,704	-	6,704
Utilities	17,005	-	17,005
Total Operating Expenses	574,575	821	575,396
OPERATING INCOME (LOSS)	(215,933)	15,505	(200,428)
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	124	-	124
Interest expense	(12,361)	-	(12,361)
Total Nonoperating Revenues (Expenses)	(12,237)	-	(12,237)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(228,170)	15,505	(212,665)
Subsidy from Jackson County	1,715,527	445,777	2,161,304
Transfer in	524,213	-	524,213
Transfer out	-	(524,213)	(524,213)
CHANGE IN NET POSITION	2,011,570	(62,931)	1,948,639
TOTAL NET POSITION, Beginning of year	10,227,429	78,457	10,305,886
TOTAL NET POSITION, Beginning of year, as restated	10,227,429	78,457	10,305,886
TOTAL NET POSITION, End of year	$ 12,238,999	$ 15,526	$ 12,254,525

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
Year Ended December 31, 2013

	OPERATIONS	CAPITAL	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 360,155	$ 80,078	$ 440,233
Payments to suppliers	(131,254)	(1,642)	(132,896)
Payments to employees	(60,947)	-	(60,947)
Net cash provided by (used in) operating activities	167,954	78,436	246,390
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating subsidy - Jackson County	68,178	445,777	513,955
Transfers in (out)	252,851	(252,851)	-
Net Cash provided (used) by non-capital financing activities	321,029	192,926	513,955
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(290,820)	-	(290,820)
Transfers in (out)	271,362	(271,362)	-
Principal payments on debt	(195,000)	-	(195,000)
Interest paid	(12,974)	-	(12,974)
Net cash provided (used) by capital and related financing activities	(227,432)	(271,362)	(498,794)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	124	-	124
Net cash provided (used) by investing activities	124	-	124
Net increase (decrease) in cash and cash equivalents	261,675	-	261,675
CASH, Beginning of year	57,331	-	57,331
CASH, End of year	$ 319,006	$ -	$ 319,006
DISPLAYED AS:			
Cash	$ 319,006	$ -	$ 319,006
TOTAL CASH	$ 319,006	$ -	$ 319,006
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ (215,933)	$ 15,505	$ (200,428)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation	170,277	-	170,277
(Increase) decrease in:			
Accounts receivable, net	1,762	-	1,762
Due from other governments	-	63,752	63,752
Inventory	4,210	-	4,210
Prepaid expenses	1,140	-	1,140
Deferred revenue	(250)	-	(250)
Increase (decrease) in:			
Accounts payable	(1,661)	(821)	(2,482)
Other accrued items	(656)	-	(656)
Interfund balances	209,065	-	209,065
Net cash provided by (used in) operating activities	$ 167,954	$ 78,436	$ 246,390
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES			
Forgivenenss of debt from Jackson County General Fund	$ 1,647,349	$ -	$ 1,647,349
Transfers of capital assets	$ -	$ (271,362)	$ (271,362)

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2013

SPLOST #3 - Commenced April 1, 2000 Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year
Water and Sewerage improvements - County	$ 21,879,900	$ 15,399,433	$ 15,399,433	$ -
Water and Sewerage improvements - Cities				
Commerce			2,916,809	-
Jefferson			2,046,269	-
Nicholson			638,739	-
Hoschton			570,086	-
Braselton			304,509	-
Maysville			293,758	-
Water and Sewerage improvements - Cities	9,620,100	6,765,756	6,770,170	-
Roads, streets, bridges and sidewalks - County	6,555,690	4,448,560	4,353,462	-
Roads, streets, bridges and sidewalks - Cities				
Commerce			1,253,900	-
Jefferson			673,333	-
Arcade			272,468	-
Nicholson			228,421	-
Talmo			106,742	-
Hoschton			246,695	-
Pendergrass			111,892	-
Braselton			179,468	-
Maysville			120,744	-
Roads, streets, bridges and sidewalks, Cities	3,794,310	3,174,632	3,193,663	-
Parks and recreation - Jackson County	1,567,665	1,063,786	985,624	-
Parks and recreation - Municipalities				
Commerce			353,066	-
Jefferson			185,130	-
Arcade			67,027	-
Nicholson			51,050	-
Talmo			19,207	-
Hoschton			56,711	-
Pendergrass			19,014	-
Braselton			30,341	-
Maysville			24,590	-
Parks and recreation - Municipalities	907,335	804,539	806,136	-
Public safety facilities for Fire Departments	675,000	458,041	548,339	-
Totals	$ 45,000,000	$ 32,114,747	$ 32,056,827	$ -

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2013

SPLOST #4 - Commenced July 1, 2005 Project	Original Estimated Cost	Current Estimated Cost	Amount Expended Year 1 2005	Year 2 2006	Year 3 2007	Year 4 2008	Year 5 2009	Year 6 2010	Year 7 2011	Year 8 2012	Year 9 2013	Total
LEVEL 1 COUNTY PROJECTS												
County Jail	$ 10,200,000	$ 10,200,000	$ -	$ 202,201	$ (202,201)	$ 823,534	$ 2,566,658	$ 2,216,774	$ 2,133,421	$ 771,183	$ 771,183	$ 9,282,753
County Health Clinic Facilities	510,000	510,000	394,066	-	-	-	-	-	-	-	143,835	537,901
LEVEL 2 COUNTY PROJECTS												
Water and Sewer Facilities	8,289,970	8,289,970	-	1,038,615	2,526,967	342,905	1,468,386	1,226,400	1,024,650	717,177	122,179	8,467,279
Roads, Streets, and Bridges	8,289,970	8,289,970	-	2,075,655	1,263,630	1,688,228	949,535	681,276	1,375,122	683,788		8,717,234
Recreational Facilities	5,101,520	5,101,520	-	402,511	993,870	1,163,631	1,253,792	1,127,126	481,269	-		5,422,199
Public Safety Facilities	3,571,064	3,571,064	6,200	177,150	1,022,102	107,840	-	1,448,378	247,920	363,824	424,015	3,797,429
Library Facilities	255,075	255,075	-	-	-	159,360	33,456	39,161	39,993	-		271,970
Subtotal All County Projects	36,217,599	36,217,599	400,266	3,896,132	5,604,368	4,285,498	6,271,827	6,739,115	5,302,375	2,535,972	1,461,212	36,496,765
MUNICIPAL PROJECTS												
City of Arcade												
Public Safety Facilities and Equipment	413,937	413,937	21,770	78,522	81,492	76,825	59,933	74,242	40,395	-		433,179
Administrative Facilities and Equipment	1,034,842	1,034,842	54,424	196,306	203,731	192,064	149,832	185,604	100,987	-		1,082,948
Roads, Streets, and Bridges	143,286	143,286	7,536	27,181	28,209	29,817	20,746	25,699	13,998	-		153,186
Subtotal	1,592,065	1,592,065	83,730	302,009	313,432	298,706	230,511	285,545	155,380	-	-	1,669,313
City of Braselton												
Roads, Streets, and Bridges	678,512	678,512	35,684	128,711	133,580	132,377	98,240	121,695	66,214	-		716,501
City of Commerce												
Water and Sewer Facilities	3,588,576	3,588,576	188,729	702,937	707,394	666,029	519,579	643,630	350,200	-		3,778,498
Roads, Streets, and Bridges	1,127,838	1,127,838	59,315	213,947	222,039	209,323	163,296	247,530	110,063	-		1,225,513
Recreational Facilities	205,061	205,061	10,784	38,899	47,069	38,059	29,690	36,779	18,639	-		219,919
Library Facilities	205,061	205,061	10,784	38,899	40,371	38,059	29,690	36,779	20,011	-		214,593
Subtotal	5,126,536	5,126,536	269,612	994,682	1,016,873	951,470	742,255	964,718	498,913	-	-	5,438,523
City of Hoschton												
Water and Sewer Facilities	777,185	777,185	40,873	153,028	153,355	144,243	112,526	139,392	75,843	-		819,260
Roads, Streets, and Bridges	207,249	207,249	10,900	39,314	40,801	38,465	30,007	37,171	26,359	-		223,017
Recreational Facilities	51,812	51,812	2,725	9,829	12,385	9,616	7,502	9,293	5,056	-		56,406
Subtotal	1,036,246	1,036,246	54,498	202,171	206,541	192,324	150,035	185,856	107,258	-	-	1,098,683
City of Jefferson												
Roads, Streets, Bridges, and Storm Water Management Facilities	1,426,221	1,426,221	75,009	276,806	279,482	264,702	206,498	255,800	139,181	-		1,497,478
Cultural, Historical, and Recreation Facilities	740,894	740,894	38,965	142,320	145,861	137,508	107,272	132,883	72,302	-		777,111
Public Safety Facilities	55,567	55,567	2,922	10,541	10,940	10,313	8,045	9,966	5,423	-		58,150
Water and Sewer Facilities	1,481,788	1,481,788	77,929	293,904	289,153	275,015	214,543	265,766	144,604	-		1,560,914
Subtotal	3,704,470	3,704,470	194,825	723,571	725,436	687,538	536,358	664,415	361,510	-	-	3,893,653
City of Maysville												
Water and Sewer Facilities	445,838	445,838	23,447	84,574	87,773	85,011	64,551	79,969	43,508	-		468,833
Roads, Streets, and Bridges	83,595	83,595	4,396	15,858	20,729	15,515	12,103	14,993	8,158	-		91,752
	27,864	27,864	1,465	5,286	5,486	5,172	4,806	4,998	2,719	-		29,932
	557,297	557,297	29,308	105,718	113,988	105,698	81,460	99,960	54,385	-	-	590,517
City of Nicholson												
Roads, Streets, and Bridges	543,475	543,475	28,582	103,095	106,995	100,867	78,688	97,475	53,036	-		568,738
Recreational Facilities	483,089	483,089	25,406	91,640	95,106	89,660	69,945	86,644	46,890	-		505,291
Water Facilities	181,158	181,158	9,527	34,365	35,665	46,309	26,229	32,492	17,679	-		202,266
Subtotal	1,207,722	1,207,722	63,515	229,100	237,766	236,836	174,862	216,611	117,605	-	-	1,276,295
City of Pendergrass												
Recreational Facilities	333,490	333,490	17,539	63,321	65,655	61,895	48,285	59,813	32,544	-		349,052
Roads, Streets, and Bridges	83,374	83,374	4,385	15,832	16,414	15,474	12,071	14,953	8,136	-		87,265
Subtotal	416,864	416,864	21,924	79,153	82,069	77,369	60,356	74,766	40,680	-	-	436,317
City of Talmo												
Administrative and Library Facilities	208,210	208,210	10,950	39,497	40,991	38,643	30,146	37,344	20,319	-		217,890
Roads, Streets, and Bridges	138,807	138,807	7,300	31,602	27,923	25,762	20,097	24,896	13,546	-		151,126
Recreational Facilities	69,403	69,403	3,650	13,470	13,664	12,881	10,049	12,448	6,773	-		72,935
Public Safety Facilities	46,269	46,269	2,433	8,777	9,109	8,587	6,699	8,299	4,515	-		48,419
Subtotal	462,689	462,689	24,333	93,346	91,687	85,873	66,991	82,987	45,153	-	-	490,370
Total All City Projects (1)	14,782,401	14,782,401	777,429	2,858,461	2,921,372	2,768,191	2,141,068	2,696,553	1,447,098	-	-	15,610,172
Total All Projects	$ 51,000,000	$ 51,000,000	$ 1,177,695	$ 6,754,593	$ 8,525,740	$ 7,053,689	$ 8,412,895	$ 9,435,668	$ 6,749,473	$ 2,535,972	$ 1,461,212	$ 52,106,937

The amount for Level 2 County project for public safety for 2010 was reduced by $263,438. This was reclassified as an expenditure of SPLOST 3.

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2013

SPLOST #5 - Commenced July 1, 2011 Project	Original Estimated Cost	Current Estimated Cost	Amount Expended Year 1 2011	Year 2 2012	Year 3 2013	Total
LEVEL 1 COUNTY PROJECTS						
County Debt Service	$ 23,747,657	$ 23,747,657	$ -	$ 686,600	$ 686,600	$ 1,373,200
LEVEL 2 COUNTY PROJECTS						
Satellite EMS Facilities	1,200,000	1,200,000	-	-	73,670	73,670
Roads, Streets, and Bridges	6,800,000	6,800,000	-	1,086,064	986,438	2,072,502
Parks and Recreation	2,000,000	2,000,000	263,167	199,978	101,890	565,035
Subtotal All County Projects	33,747,657	33,747,657	263,167	1,972,642	1,848,598	4,084,407
MUNICIPAL PROJECTS						
City of Arcade						
Acquisition of Public Safety Complex	875,410	875,410	84,778	169,159	165,848	419,785
Roads, Streets, and Bridges	250,163	250,163	24,227	48,339	47,394	119,960
Parks and Recreation	125,081	125,081	12,113	24,170	23,697	59,980
Subtotal	1,250,654	1,250,654	121,118	241,668	236,939	599,725
City of Braselton						
Parks and Recreation	563,345	563,345	54,557	108,857	106,727	270,141
Roads, Streets, and Bridges	563,345	563,345	54,556	108,857	106,727	270,140
Subtotal	1,126,690	1,126,690	109,113	217,714	213,454	540,281
City of Commerce						
Water and Sewer Projects	1,830,320	1,830,320	177,256	353,679	346,767	877,702
Parks and Recreation	1,118,530	1,118,530	108,323	216,137	211,907	536,367
Roads, Streets, and Bridges	1,118,530	1,118,530	108,323	216,137	211,907	536,367
Subtotal	4,067,380	4,067,380	393,902	785,953	770,581	1,950,436
City of Hoschton						
Improvements to Water and Sewer	699,464	699,464	67,739	135,160	132,515	335,414
Roads, Streets, and Bridges	186,414	186,414	18,053	36,021	35,316	89,390
Parks and Recreation	46,603	46,603	4,513	9,006	8,829	22,348
Subtotal	932,481	932,481	90,305	180,187	176,660	447,152
City of Jefferson						
Roads, Streets, Bridges, and Storm Water Management Facilities	1,179,588	1,179,588	114,236	227,936	223,475	565,647
Cultural, Historical, and Recreation Facilities Debt Reduction	1,626,853	1,626,853	157,551	314,362	308,210	780,123
Public Safety Facilities	81,351	81,351	7,879	15,720	15,412	39,011
Water and Sewer Facilities	1,179,588	1,179,588	114,236	227,936	223,475	565,647
Subtotal	4,067,380	4,067,380	393,902	785,954	770,572	1,950,428
City of Maysville						
Water and Sewer Improvements	301,782	301,782	29,226	58,314	57,173	144,713
Roads, Streets, and Bridges	64,667	64,667	6,263	12,496	12,251	31,010
Buildings	43,112	43,112	4,175	8,331	8,168	20,674
Recreational Facilities	21,556	21,556	2,087	4,165	4,084	10,336
Subtotal	431,117	431,117	41,751	83,306	81,676	206,733
City of Nicholson						
Roads, Streets, and Bridges	516,003	516,003	49,972	99,709	97,758	247,439
Land and Equipment for Parks	459,163	459,163	44,467	88,725	86,988	220,180
Renovation of Library	57,395	57,395	5,558	11,091	10,874	27,523
Historic Preservation - Crossroads Travelling School	57,395	57,395	5,558	11,091	10,874	27,523
Water and Sewer Improvements	57,395	57,395	5,559	11,091	10,874	27,524
Subtotal	1,147,351	1,147,351	111,114	221,707	217,368	550,189
City of Pendergrass						
Construction of Library	260,134	260,134	25,193	50,266	49,283	124,742
Parks and Recreation	55,878	55,878	5,411	10,798	10,586	26,795
Roads, Streets, and Bridges	55,878	55,878	5,411	10,798	10,586	26,795
Subtotal	371,890	371,890	36,015	71,862	70,455	178,332
City of Talmo						
Administrative Space and Library	132,527	132,527	12,835	25,608	25,107	63,550
Roads, Streets, and Bridges	94,182	94,182	9,121	18,199	17,843	45,163
Parks and Recreation	113,018	113,018	10,945	21,839	21,411	54,195
Public Safety Facilities	37,673	37,673	3,648	7,280	7,136	18,064
Subtotal	377,400	377,400	36,549	72,926	71,497	180,972
Total All City Projects **(1)**	13,772,343	13,772,343	1,333,769	2,661,277	2,609,202	6,604,248
Total All Projects	$ 47,520,000	$ 47,520,000	$ 1,596,936	$ 4,633,919	$ 4,457,800	$ 10,688,655

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.
The amounts for 2011 were revised to include accounts payable omitted from the previous schedule.

JACKSON COUNTY, GEORGIA
Reconciliation of Expenditures for SPLOST
12/31/2013

Statement of Revenues, Expenditures and Changes in Fund Balance (page 7)

Expenditures	$	5,652,996
Subtotal		5,652,996

Less items not included as expenditures on SPLOST schedule below:

Less amount paid to Water Authority for county water and sewer projects		-
Amounts expended by Water Authority for county water and sewer projects		122,179 1
Less amounts paid to cities for city water and sewer projects		-
Amounts expended by Cities for city water and sewer projects		-
Revenue from DOT used for expenditures first before SPLOST funds		-
Revenue from Grants used for expenditures first before SPLOST funds		-
Revenue from Contributions used for expenditures first before SPLOST funds		-
Miscellaneous income used for expenditures first before SPLOST funds		-
Transfer out to Health Department for debt associated with health clinic facilities		143,835
Rounding		2
Subtotal of adjustments		266,016
Expenditures reported on Splost schedule below	**$**	**5,919,012**

Schedule of Projects Constructed With Special Purpose Local Option Sales Tax (pages 95-97)

Splost #3	$	-
Splost #4		1,461,212
Splost #5		4,457,800
Total	**$**	**5,919,012**

1. SPLOST proceeds are paid to the Jackson County Water & Sewerage Authority, a discretely presented component unit, who are acting as the County's agent for expending the funds for county water and sewer projects. Due to timing, some proceeds remain unspent at the end of the year.

STATISTICAL SECTION

This part of the county's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	**Table**
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
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Five Year General Fund History	4A
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Revenue Capacity	
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
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Assessed Valuation by Property Type	6A
Property Tax Rates (Direct and Overlapping Governments)	7
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Jackson County Local Option Sales Tax Revenues	9A
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Debt Capacity	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
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Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
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Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	
Full-Time Equivalent County Government Employees by Function	17
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Note: Tables may not add due to rounding

JACKSON COUNTY, GEORGIA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting) (amounts expressed in thousands)

	Fiscal Year									
	2004	2005 (1)	2006	2007 (2)	2008	2009 (3)	2010 (4)	2011	2012 (5)	2013
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	$ 30,819	$ 113,915	$ 122,574	$ 130,571	$ 125,119	$ 90,886	$ 91,826	$ 87,873	$ 88,161	$ 82,681
Restricted:										
Capital outlay	-	1,276	4,859	7,687	8,761	7,998	7,021	7,109	9,839	5,794
Debt service	1,323	491	-	79	2,706	766	551	1,025	1,026	2,555
Drug enforcement	105	122	128	-	-	-	-	-	-	-
Emergency services	184	381	272	-	-	-	-	-	-	-
Fire districts	1,282	677	1,243	-	-	-	-	-	-	-
Jail	384	466	179	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	59	58	56
Public safety	-	-	-	2,478	3,325	3,116	3,427	3,386	2,718	2,050
Public works	-	-	-	-	-	-	-	-	-	-
Health and Welfare	281	256	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-	-
Housing and Development	181	277	-	-	-	-	-	-	-	-
Unrestricted:	(598)	4,300	5,311	3,039	8,686	10,012	9,240	9,286	6,299	11,815
Total governmental activities net position	33,961	122,161	134,566	143,854	148,597	112,778	112,065	108,738	108,101	104,951
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	680	638	652	603	786	1,197	2,436	2,344	2,344	2,216
Unrestricted	(851)	(999)	(647)	(598)	(781)	(1,072)	(2,431)	(2,339)	(2,130)	(2,401)
Total business-type activities net position	(171)	(361)	5	5	5	125	5	5	214	(185)
PRIMARY GOVERNMENT										
Net investment in capital assets	31,499	114,553	123,226	131,174	125,905	92,083	94,262	90,217	90,505	84,897
Restricted	3,740	3,946	6,681	10,244	14,792	11,880	10,999	11,579	13,641	10,455
Unrestricted	(1,449)	3,301	4,664	2,441	7,905	8,940	6,809	6,947	4,169	9,414
Total primary government net position	$ 33,790	$ 121,800	$ 134,571	$ 143,859	$ 148,602	$ 112,903	$ 112,070	$ 108,743	$ 108,315	$ 104,766

Note: The County adopted GASB 34 in 2003.
(1) Retroactive infrastructure was added in 2005.
(2) In 2007, all public safety restrictions were combined.
(3) In 2009, the County changed its method of depreciation expense for road infrastructure assets.
As a result, invested in capital assets decreased $33,096,948.
(4) In 2010, the County implemented GASB 54.
(5) In 2012, the County implemented GASB 63 & 65.

JACKSON COUNTY, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES										
Governmental activities:										
General government	$ 4,773	$ 3,699	$ 4,215	$ 5,446	$ 5,517	$ 5,210	$ 4,952	$ 4,774	$ 5,429	$ 5,003
Judicial	2,340	2,998	3,244	3,468	3,895	3,811	3,516	3,679	3,590	3,733
Public safety	14,131	14,825	15,659	17,328	18,609	21,411	23,332	22,960	22,052	22,552
Public works	2,622	4,246	4,499	9,263	12,354	12,810	15,052	12,980	11,954	12,174
Health and welfare	866	875	993	926	962	1,035	1,172	1,088	1,136	1,156
Recreation and culture	1,060	1,195	1,150	1,339	1,530	1,840	1,634	2,038	1,565	1,563
Housing and development	1,337	1,705	1,484	1,511	1,475	1,560	1,329	1,039	1,489	3,853
Intergovernmental	6,034	3,826	4,513	-	-	-	-	-	-	-
Interest on long-term debt	1,371	2,072	1,911	2,921	5,060	6,695	4,554	5,034	4,947	4,704
Total governmental activities expenses	34,534	35,441	37,668	42,202	49,402	54,372	55,541	53,592	52,162	54,738
Business-type activities:										
Solid waste disposal facility	1,322	1,507	1,353	1,485	1,200	1,177	1,417	1,273	1,296	1,677
Mayfield treatment plant	29	26	24	21	18	14	11	7	4	-
Total business-type activities expenses	1,351	1,533	1,377	1,506	1,218	1,191	1,428	1,280	1,300	1,677
Total primary government expenses	35,885	36,974	39,045	43,708	50,620	55,563	56,969	54,872	53,462	56,415
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	787	759	1,091	1,271	1,454	1,533	1,668	1,607	1,567	1,508
Judicial	1,767	2,008	356	1,999	1,801	1,628	1,786	1,505	1,705	1,851
Public safety	2,037	2,373	2,147	2,423	2,890	4,443	4,369	5,029	4,558	4,735
Public works	4	32	57	-	-	21	5	16	1	2
Health and welfare	32	25	38	37	30	28	16	25	31	57
Recreation and culture	266	260	294	328	314	377	381	443	342	369
Housing and development	955	1,139	1,088	856	431	263	178	210	333	809
Total charges for services	5,848	6,596	5,071	6,914	6,920	8,293	8,403	8,835	8,537	9,331

JACKSON COUNTY, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Operating grants and contributions	1,825	2,708	1,953	1,915	2,337	1,266	2,388	1,064	1,133	1,796
Capital grants and contributions	4,337	3,713	6,907	3,364	2,661	2,539	4,076	840	4,922	1,120
Total governmental activities program revenues	12,010	13,017	13,931	12,193	11,918	12,098	14,867	10,739	14,592	12,247
Business-type activities:										
Charges for services:										
Solid waste disposal facility	706	945	1,056	926	833	871	912	1,012	990	1,045
Mayfield treatment plant	29	26	24	21	18	14	11	7	4	-
Total charges for services	735	971	1,080	947	851	885	923	1,019	994	1,045
Operating grants and contributions	-	-	37	280	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	10	-	13	18	-
Total business-type activities program revenues	735	971	1,117	1,227	851	895	923	1,032	1,012	1,045
Total primary government program revenues	$ 12,745	$ 13,988	$ 15,048	$ 13,420	$ 12,769	$ 12,993	$ 15,790	$ 11,771	$ 15,604	$ 13,292
Net (expense)/revenue										
Governmental activities	$ (22,524)	$ (22,424)	$ (23,737)	$ (30,009)	$ (37,484)	$ (42,274)	$ (40,674)	$ (42,853)	$ (37,570)	$ (42,491)
Business-type activities	(616)	(562)	(260)	(279)	(367)	(296)	(505)	(248)	(288)	(632)
Total primary government net expense	(23,140)	(22,986)	(23,997)	(30,288)	(37,851)	(42,570)	(41,179)	(43,101)	(37,858)	(43,123)

JACKSON COUNTY, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes										
Property Taxes	13,196	14,103	16,386	18,071	22,287	23,725	24,497	23,727	22,369	23,020
Sales Taxes	11,603	11,589	15,987	16,513	14,941	12,426	13,772	13,947	14,907	14,416
Insurance premium tax	1,086	1,160	1,215	1,278	1,309	1,290	1,255	1,523	1,627	1,691
Real estate and recording taxes	-	688	731	601	385	371	249	214	324	339
Other taxes	854	220	297	212	243	201	239	243	256	281
Total taxes	26,739	27,760	34,616	36,675	39,165	38,013	40,012	39,654	39,483	39,747
Unrestricted grants and contributions	775	823	915	934	1,001	1,050	-	-	-	-
Investment earnings	334	668	1,125	1,850	2,299	827	151	33	22	29
Gain on sale of capital assets	79	378	92	116	130	75	185	87	145	30
Transfers	(88)	(373)	(606)	(279)	(367)	(416)	(384)	(247)	(497)	(208)
Total governmental activities	27,839	29,256	36,142	39,296	42,228	39,549	39,964	39,527	39,153	39,598
Business-type activities:										
Gain on sale of capital assets	-	-	19	-	-	-	-	-	-	(24)
Transfers	88	373	606	279	367	416	384	247	497	208
Total business-type activities	88	373	625	279	367	416	384	247	497	184
Total primary government	27,927	29,629	36,767	39,575	42,595	39,965	40,348	39,774	39,650	39,782
CHANGE IN NET POSITION										
Governmental activities	5,315	6,832	12,405	9,287	4,744	(2,725)	(710)	(3,326)	1,583	(2,893)
Business-type activities	(528)	(189)	365	-	-	120	(121)	(1)	209	(448)
Total primary government	$ 4,787	$ 6,643	$ 12,770	$ 9,287	$ 4,744	$ (2,605)	$ (831)	$ (3,327)	$ 1,792	$ (3,341)

Note: The County adopted GASB 34 in 2003.
Note: After 2006, intergovernmental expense has been allocated to other functions.

JACKSON COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General fund										
Reserved	807	1,243	1,683	2,134	2,681	2,188	-	-	-	-
Unreserved, designated for:										
Road projects	-	-	566	-	-	-	-	-	-	-
Capital asset purchases	-	-	-	-	-	-	-	-	-	-
Debt service	1,169	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	2,664	4,507	6,133	6,254	6,197	7,638	-	-	-	-
Total unreserved	3,833	4,507	6,699	6,254	6,197	7,638	-	-	-	-
Nonspendable	-	-	-	-	-	-	1,659	2,675	2,783	534
Restricted	-	-	-	-	-	-	1,183	966	758	759
Assigned	-	-	-	-	-	-	1,762	2,217	1,550	1,267
Unassigned	-	-	-	-	-	-	5,339	4,816	4,144	4,834
Total general fund	$ 4,640	$ 5,750	$ 8,382	$ 8,388	$ 8,878	$ 9,826	$ 9,943	$ 10,674	$ 9,235	$ 7,394
All other governmental funds										
Reserved	1,572	8,396	5,026	7,910	64,678	38,883	-	-	-	-
Unreserved, designated for:										
Capital asset purchases	-	-	-	-	-	-	-	-	-	-
Debt retirement	-	-	-	-	-	-	-	-	-	-
Braselton/West Jackson Library	92	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	14,690	3,434	5,592	2,618	3,481	3,345	-	-	-	-
Nonspendable	-	-	-	-	-	-	393	316	421	470
Restricted	-	-	-	-	-	-	32,970	27,408	24,204	25,027
Committed	-	-	-	-	-	-	507	330	736	709
Assigned	-	-	-	-	-	-	-	-	437	702
Unassigned	-	-	-	-	-	-	(56)	(76)	-	-
Total all other governmental funds	$ 16,262	$ 11,830	$ 10,618	$ 10,528	$ 68,159	$ 42,228	$ 33,814	$ 27,978	$ 25,798	$ 26,909

Note: In 2010, the County implemented GASB 54.
In 2012, the County implemented GASB 63 & 65.

JACKSON COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
REVENUES										
Taxes (see table 5)	$ 26,447	$ 27,858	$ 34,659	$ 36,603	$ 38,546	$ 37,847	$ 40,019	$ 39,638	$ 39,892	$ 39,159
Licenses and permits	962	1,124	977	803	405	250	174	217	351	257
Fines and forfeitures	982	666	734	1,532	1,288	1,355	1,249	985	996	1,204
Charges for services	3,612	3,961	4,309	4,544	5,077	6,734	6,780	7,504	6,983	7,692
Investment earnings	334	667	1,125	1,850	2,299	827	164	36	22	29
Intergovernmental	3,459	4,558	4,089	3,646	4,143	2,406	4,175	1,661	2,064	2,718
Miscellaneous	31	119	693	169	202	168	258	203	149	364
Total revenues	35,827	38,953	46,586	49,147	51,960	49,587	52,819	50,244	50,457	51,424
EXPENDITURES										
General government	4,659	3,474	3,992	5,112	5,095	4,898	4,648	4,620	5,041	4,584
Judicial	2,134	2,436	2,651	2,932	3,253	3,172	2,880	3,037	2,931	3,078
Public safety	13,189	13,993	14,772	16,187	16,923	19,203	19,612	19,820	19,210	19,673
Public works	1,770	2,282	2,325	2,042	2,355	2,414	2,628	2,363	2,927	2,890
Health and welfare	787	798	801	877	902	980	1,110	999	1,007	1,035
Recreation and culture	990	1,003	1,080	1,212	1,254	1,506	1,328	1,344	1,274	1,314
Housing and development	1,124	1,705	1,466	1,496	1,431	1,548	1,295	1,005	1,411	3,781
Intergovernmental	6,039	3,924	4,545	12,675	6,167	6,423	8,126	6,256	5,077	4,960
Capital Outlay	25,041	12,687	9,890	11,793	36,122	21,831	11,194	9,561	6,048	2,811
Principal on long-term debt	1,249	1,728	2,370	3,306	2,993	3,019	4,791	3,612	4,679	4,331
Interest on long-term debt	840	1,930	2,076	2,042	4,641	5,997	4,790	4,957	4,453	4,117
Issuance costs on long-term debt	421	-	-	656	412	485	89	251	163	209
Total expenditures	58,243	45,960	45,968	60,330	81,548	71,476	62,491	57,825	54,221	52,782
Excess of revenues over (under) expenditures	(22,416)	(7,007)	618	(11,183)	(29,588)	(21,889)	(9,672)	(7,581)	(3,764)	(1,358)
OTHER FINANCING SOURCES (USES)										
Proceeds from borrowing	19,739	2,167	1,234	49,005	47,503	1,533	1,306	823	10,372	14,671
Debt premiums and discounts	(421)	-	-	(54)	-	-	-	1,214	56	-
Refunding bond proceeds	-	-	-	-	-	25,050	15,880	29,545	-	-
Payments to escrow agents	-	-	-	-	-	(29,405)	(15,595)	(30,764)	(9,937)	(13,869)
Sale of capital assets	86	1,891	174	179	2,821	124	188	1,904	150	30
Transfers in	6,275	2,757	3,533	5,262	6,864	43,520	29,523	9,577	11,695	10,484
Transfers out	(6,600)	(3,130)	(4,139)	(5,541)	(7,232)	(43,936)	(29,907)	(9,824)	(12,192)	(10,692)
Total other financing sources (uses)	19,079	3,685	802	48,851	49,956	(3,114)	1,395	2,475	143	624
Net change in fund balances	$ (3,337)	$ (3,322)	$ 1,420	$ 37,668	$ 20,368	$ (25,003)	$ (8,277)	$ (5,106)	$ (3,621)	$ (734)
Debt service as a percentage of noncapital expenditures	6.29%	10.99%	12.32%	11.02%	16.81%	18.16%	18.68%	17.75%	18.96%	16.91%

Amounts for 2009 & 2010 for proceeds from borrowing were reclassified to show amounts of refunding debt issued.
Likewise, principal paid on long-term debt was reclassified to show payments to escrow agent for amounts refunded in those years.

JACKSON COUNTY, GEORGIA
General Fund History
Statement of Revenues, Expenditures and Changes in Fund Balances
Last Five Fiscal Years

	2009	2010	2011	2012	2013
REVENUES					
Taxes	$ 28,271,004	$ 29,449,772	$ 28,985,643	$ 28,682,632	$ 28,347,473
Licenses and permits	39,490	45,840	48,892	53,974	63,447
Fines and forfeitures	1,113,677	1,006,114	774,159	793,451	915,495
Charges for services	3,760,108	3,821,048	4,120,856	3,777,503	3,619,755
Interest income	193,412	122,377	23,501	17,292	8,253
Intergovernmental	1,489,694	614,627	561,496	494,350	1,206,414
Other	80,537	124,474	106,270	105,111	200,237
TOTAL REVENUES	34,947,922	35,184,252	34,620,817	33,924,313	34,361,075
EXPENDITURES					
Current					
General government	4,728,375	4,490,347	4,602,897	5,027,082	4,579,920
Judicial	3,157,800	2,869,171	3,017,578	2,916,761	3,052,895
Public safety	12,313,602	13,315,640	13,254,552	12,835,884	12,997,533
Public works	1,781,366	1,961,834	1,920,024	1,856,791	2,159,291
Health and welfare	461,166	611,197	463,133	497,633	525,584
Recreation and culture	100,000	100,000	100,000	100,000	100,107
Housing and development	729,516	790,367	553,535	591,343	2,651,226
Intergovernmental	1,807,644	1,607,260	2,126,775	2,207,749	2,327,731
Capital Outlay	178,636	191,060	258,025	201,715	136,526
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
TOTAL EXPENDITURES	25,258,105	25,936,876	26,296,519	26,234,958	28,530,812
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	9,689,817	9,247,376	8,324,298	7,689,355	5,830,263
OTHER FINANCING SOURCES (USES)					
Proceeds from borrowings	-	-	-	-	-
Proceeds from sale of fixed assets	48,521	21,450	1,885,624	31,895	8,233
Transfers in	396,431	91,705	113,326	452,914	401,035
Transfers out	(9,186,861)	(9,243,347)	(9,591,634)	(9,613,760)	(8,085,874)
TOTAL OTHER FINANCING SOURCES (USES)	(8,741,909)	(9,130,192)	(7,592,684)	(9,128,950)	(7,676,606)
EXCESS OF REVENUES AND OTHER FINANCING OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	947,908	117,184	731,614	(1,439,596)	(1,846,344)
FUND BALANCES, JANUARY 1	8,878,005	9,825,913	9,943,097	10,674,711	9,235,115
FUND BALANCES, DECEMBER 31	$ 9,825,913	$ 9,943,097	$ 10,674,711	$ 9,235,115	$ 7,388,772

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
General Fund Budget (unaudited)
Fiscal Year Ending December 31, 2014

REVENUES	
Taxes	$28,387,500
Licenses and permits	146,900
Fines and forfeitures	1,021,500
Charges for services	2,635,200
Interest & other Income	105,200
Intergovernmental	1,661,161
TOTAL REVENUES	33,957,461
EXPENDITURES	
Current	
General government	6,060,476
Judicial	3,344,314
Public Safety	12,721,885
Public Works	1,737,933
Health and Welfare	75,886
Recreation and Culture	-
Housing and Development	-
Intergovernmental	2,315,596
Capital Outlay	-
TOTAL EXPENDITURES	26,256,090
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,701,371
OTHER FINANCING SOURCES (USES)	
Transfers in	213,458
Transfers out	(9,182,167)
TOTAL OTHER FINANCING SOURCES (USES)	(8,968,709)
APPROPRIATION OF PRIOR YEARS' SURPLUS	(1,267,338)
FUND BALANCES, December 31, 2013	7,388,772
FUND BALANCES, December 31, 2014	$ 6,121,434

JACKSON COUNTY, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Taxes	Insurance Premium Tax	Real Estate & Recording Taxes	Other Taxes	Total
2003	12,375	9,654	1,004	711	194	23,938
2004	12,904	11,603	1,086	602	252	26,447
2005	14,202	11,589	1,160	688	220	27,858
2006	16,429	15,986	1,216	731	297	34,659
2007	17,999	16,513	1,278	601	212	36,603
2008	21,667	14,941	1,309	386	243	38,546
2009	23,559	12,426	1,290	371	201	37,847
2010	24,504	13,772	1,255	249	239	40,019
2011	23,711	13,947	1,523	214	243	39,638
2012	22,778	14,907	1,627	324	256	39,892
2013	$ 22,432	$ 14,416	$ 1,691	$ 339	$ 281	$ 39,159

JACKSON COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Tax Year	Real Property				Personal Property				Less Exemptions:		Total Taxable Assessed Value	Total Direct Tax Rate (5)	Estimated Actual Value (3)	Assessed Value as a Percentage of Actual Value
	Residential Property	Agricultural Property (1)	Commercial & Industrial	Public Utilities	Inventory & Equipment (4)	Motor Vehicles	Mobile Homes	Other (2)	Real Property	Personal Property				
2004	$ 688,097	$ 282,412	$ 171,035	$ 50,783	$ 298,430	$ 138,647	$ 18,520	$ 5,903	$ 136,107	$ 61,986	$ 1,455,734	9.089	$ 3,639,335	40.00%
2005	809,255	284,376	185,796	50,167	319,579	129,596	22,025	4,943	139,008	78,847	1,587,882	9.599	3,969,704	40.00%
2006	957,166	281,690	252,738	53,826	352,705	129,346	19,259	6,620	143,309	88,239	1,821,802	9.129	4,554,505	40.00%
2007	1,217,908	376,972	301,949	71,365	447,231	148,390	14,776	6,460	186,797	162,008	2,236,246	9.042	5,590,615	40.00%
2008	1,320,570	379,620	358,937	69,948	462,739	161,442	13,819	7,865	195,969	171,466	2,407,505	8.959	6,018,763	40.00%
2009	1,329,441	385,816	378,063	71,850	464,415	169,846	13,031	6,142	211,453	173,324	2,433,827	8.965	6,084,568	40.00%
2010	1,253,548	385,344	377,257	77,120	434,650	144,595	11,490	3,879	221,741	162,702	2,303,440	8.992	5,758,600	40.00%
2011	1,161,335	368,693	378,125	72,904	473,534	143,328	10,906	6,639	222,384	194,628	2,198,452	9.011	5,496,130	40.00%
2012	999,389	361,858	422,144	77,897	481,173	153,807	9,935	7,570	228,801	193,139	2,091,833	9.144	5,229,583	40.00%
2013	$ 925,191	$ 325,565	$ 410,004	$ 80,905	$ 551,478	$ 159,903	$ 9,501	$ 4,575	$ 208,287	$ 289,753	$ 1,969,082	9.410	$ 4,922,705	40.00%

Source: Georgia Department of Revenue

(1) Includes conservation use and preferential property.

(2) Includes aircraft, boats, miscellaneous personal property, timber and heavy equipment.

(3) Property that is exempt from taxation has not been included. That is typically property owned by governments and not-for-profit organizations like churches.

(4) Includes furniture and fixtures.

(5) This is a weighted average of individual direct rates applied to the taxable assessed value of the different portions of the county (incorporated and unincorporated).

JACKSON COUNTY, GEORGIA
ASSESSED VALUATION BY PROPERTY TYPE

PROPERTY TYPE	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Residential	$ 929,011,325	$ 1,004,764,913	$ 1,163,105,935	$ 1,255,246,003	$ 1,331,583,736	$ 1,323,104,559	$ 1,220,448,259	$ 959,266,666	$ 811,485,341	$ 689,735,427
Historic	197,339	202,559	179,536	203,660	203,660	203,660	203,660	204,187	-	-
Agricultural	143,039,322	159,951,419	173,004,844	189,832,089	200,543,467	209,438,215	213,634,888	158,937,162	162,898,237	161,735,657
Preferential	81,363	101,024	149,055	249,420	360,419	580,304	580,303	502,740	669,118	964,606
Conservation Use	182,525,640	201,830,603	195,556,260	195,280,567	184,934,791	169,625,853	162,781,951	122,366,218	121,039,383	119,933,418
Commercial	384,864,344	355,337,841	313,204,179	296,176,940	303,498,419	289,325,675	278,110,066	239,080,144	168,082,448	140,181,354
Industrial	576,771,287	549,572,167	541,944,896	516,892,573	541,659,068	536,560,495	473,166,473	369,511,616	339,124,367	330,848,580
Utility	80,904,645	77,896,549	72,903,850	77,119,665	71,850,152	69,947,929	71,364,766	53,826,355	50,166,549	50,782,535
Motor Vehicle	159,903,150	153,806,580	143,328,330	144,595,210	169,846,410	161,441,830	148,390,370	129,346,320	129,595,689	138,646,580
Mobile Home	9,501,319	9,935,445	10,905,523	11,489,841	13,031,351	13,818,918	14,775,983	19,258,511	22,025,410	18,519,782
Timber 100%	348,341	342,899	954,686	569,612	776,025	349,346	365,584	606,050	265,928	805,483
Heavy Equipment	71,678	30,160	226,969	226,969	317,319	542,517	1,228,580	443,529	385,609	1,672,712
Gross Digest	2,467,219,753	2,513,772,159	2,615,464,063	2,687,882,549	2,818,604,817	2,774,939,301	2,585,050,883	2,053,349,498	1,805,738,079	1,653,826,134
Bond Exemptions	-	-	-	-	-	-	-	-	-	-
Net Bond Digest	$ 2,467,219,753	$ 2,513,772,159	$ 2,615,464,063	$ 2,687,882,549	$ 2,818,604,817	$ 2,774,939,301	$ 2,585,050,883	$ 2,053,349,498	$ 1,805,738,079	$ 1,653,826,134
M & O Exemptions	$ 498,040,106	$ 421,939,715	$ 417,012,536	$ 384,442,628	$ 384,776,437	$ 367,434,554	$ 348,804,934	$ 231,547,714	$ 217,854,756	$ 198,093,713
Net M & O Digest	$ 1,969,179,647	$ 2,091,832,444	$ 2,198,451,527	$ 2,303,439,921	$ 2,433,828,380	$ 2,407,504,747	$ 2,236,245,949	$ 1,821,801,784	$ 1,587,883,323	$ 1,455,732,421
Total real & personal, excluding public utility	$ 2,216,490,620	$ 2,271,760,526	$ 2,453,881,252	$ 2,562,783,560	$ 2,528,838,761	$ 2,348,925,600	$ 1,849,868,733	$ 1,603,298,894	$ 1,443,399,042	$ 1,348,854,393

JACKSON COUNTY, GEORGIA
Direct and Overlapping Property Tax Rates - Mills
Last Ten Fiscal Years
(Mills - rate per $1,000 of taxable assessed value)

Tax Year / *Fiscal Year*	*2003* / *2004*	*2004* / *2005*	*2005* / *2006*	*2006* / *2007*	*2007* / *2008*	*2008* / *2009*	*2009* / *2010*	*2010* / *2011*	*2011* / *2012*	*2012* / *2013*
County - Incorporated	9.740	9.770	10.280	9.770	9.590	9.490	9.500	9.550	9.580	9.870
County - Unincorporated **(1)**	8.730	8.690	9.190	8.730	8.730	8.610	8.610	8.610	8.610	8.610
School Operations	18.500	18.500	18.400	18.900	18.900	18.900	18.900	18.900	18.900	18.900
School Debt Service	1.000	1.000	3.700	3.350	3.100	3.100	3.100	3.100	3.100	3.100
State of Georgia	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.200
Total Incorporated	9.990	10.020	10.530	10.020	9.840	9.740	9.750	9.800	9.830	10.070
Total Unincorporated	28.480	28.440	31.540	31.230	30.980	30.860	30.860	30.860	30.860	30.810
Fire Districts										
Arcade	1.380	1.380	1.380	1.370	1.160	1.160	1.640	1.640	1.640	1.640
Central Jackson	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.575
East Jackson	1.510	1.510	1.510	1.510	1.600	1.600	1.600	1.600	1.600	1.600
Harrisburg	1.760	1.760	1.760	1.760	1.400	1.470	1.470	1.470	1.470	1.470
Jackson Trail	1.140	1.140	1.090	1.070	0.950	0.950	0.950	1.080	1.080	1.160
Maysville	1.100	1.100	1.100	1.100	0.980	1.100	1.100	1.110	1.570	1.570
Nicholson	0.780	0.780	0.770	0.770	0.710	0.710	0.960	0.960	0.960	0.960
North Jackson	0.850	0.850	0.850	0.840	0.730	0.730	0.730	0.730	0.730	0.730
Plainview	1.700	1.700	1.700	1.660	1.660	1.500	1.500	1.510	1.510	1.510
South Jackson	1.420	1.750	1.730	1.730	1.500	1.500	1.500	1.520	1.650	1.750
West Jackson	1.570	1.570	1.720	1.690	1.690	1.670	1.670	1.692	1.770	1.880
Municipalities(including school)										
Commerce	1.240	1.680	1.664	1.660	1.060	1.500	1.500	2.290	2.360	4.020
Commerce Schools	16.800	16.060	17.750	17.750	17.750	17.750	17.750	17.750	17.750	19.000
Jefferson	6.400	6.490	6.490	6.490	6.490	6.398	6.398	6.398	6.398	6.398
Jefferson Schools	16.550	16.064	17.300	17.300	16.540	16.542	16.628	16.628	16.628	18.057
Maysville	4.848	4.850	3.194	3.190	2.728	1.764	2.730	2.730	1.764	1.764
Pendergrass	-	-	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000

Source: Georgia Department of Revenue

Overlapping rates are those of local and county governments that apply to property owners within the County. Not all overlapping rates apply to all County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district. The districts that are within the city limits of municipalities that do not levy a city tax are considered with the unincorporated areas in computing the maximum rates.

(1) For purposes of this schedule, the County unincorporated rate is considered the total direct rate.

Maximum rates:										
Total Incorporated	26.790	26.084	28.280	27.770	27.590	27.490	27.500	27.550	27.580	29.070
Total Unincorporated	30.240	30.200	33.300	32.990	32.670	32.530	32.530	32.552	32.630	32.690

JACKSON COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(amounts expressed in thousands)

	2013				2004		
	1		2		1	2	
Taxpayer	Taxable Assessed Value	County Tax Levied	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern Power Company	$ 39,562	$ 350,525	1	2.01%	$ 91,421	1	6.28%
TD Automotive Compressor (Toyota Industries)	36,597	324,250	2	1.86%			0.00%
Huber Engineered Woods LLC	16,413	145,420	3	0.83%	11,948	2	0.82%
Duke Secured Financing LLC	11,359	114,950	4	0.58%	-		0.00%
Commerce Asset REO LP	9,661	97,774	5	0.49%	-		0.00%
Jackson 85 Distribution Center	10,976	97,250	6	0.56%	-		0.00%
Nicolon Corporation	9,201	93,124	7	0.47%	-		0.00%
Duke Realty Limited Partnership	9,114	92,233	8	0.46%	-		0.00%
1090 Broadway Avenue Investors	8,728	88,330	9	0.44%	-		0.00%
Gruma Corp. (Mission Foods)	8,011	81,067	10	0.41%	-		0.00%
Mayfield Dairy	-	-		0.00%	6,839	3	0.47%
Louisiana Pacific	-	-		0.00%	6,785	4	0.47%
Wayne Farms	-	-		0.00%	6,287	5	0.43%
JM Family Enterprises	-	-		0.00%	5,251	6	0.36%
Atlas Cold Storage	-	-		0.00%	4,603	7	0.32%
Tanger Properties	-	-		0.00%	4,511	8	0.31%
Inland Container Corporation	-	-		0.00%	3,007	9	0.21%
Mitsubishi Electronics	-	-		0.00%	2,746	10	0.19%
Totals	$ 159,622	$ 1,484,923		8.11%	$ 143,398		9.85%

Source: Jackson County Tax Commissioner

1. Amounts expressed in thousands.
2. Rank is based on the amount of County maintenance & operations taxes billed since exemptions that reduce the assessed value can vary by entity.

JACKSON COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years
(amounts expressed in thousands)

Tax Year	Tax Due Date	Taxes Levied for the Tax Year (Original Levy)	Adjustments	Interest, Costs, & Penalties	Total Adjusted Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected Balance
						Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy	
2004	12/20/2004	$ 12,681	$ 766	$ 351	13,798	$ 12,012	94.72%	$ 1,777	13,789	99.93%	$ 9
2005	12/31/2005	14,649	978	381	16,008	11,551	78.85%	4,444	15,995	99.92%	13
2006	12/20/2006	16,402	894	459	17,755	14,687	89.54%	3,047	17,734	99.88%	21
2007	12/20/2007	19,942	915	814	21,671	17,012	85.31%	4,608	21,620	99.76%	51
2008	12/20/2008	21,329	915	1,078	23,322	18,050	84.63%	5,198	23,248	99.68%	74
2009	12/20/2009	21,634	286	939	22,859	17,889	82.69%	4,869	22,758	99.56%	101
2010	12/20/2010	21,012	(71)	794	21,735	17,541	83.48%	4,074	21,615	99.45%	120
2011	12/20/2011	20,309	13	573	20,895	17,558	86.45%	2,963	20,521	98.21%	374
2012	12/20/2012	19,425	435	375	20,235	17,057	87.81%	2,084	19,141	94.59%	1,094
2013	12/20/2013	$ 21,398	572	84	$ 22,054	$ 19,527	91.26%	$ -	$ 19,527	88.54%	$ 2,527

Note:
Taxes levied during the calendar year 2013 are recorded as revenues in the financial statements in 2014 since they are levied to finance that year's expenditures.
Taxes levied include real and personal property, motor vehicle, mobile home, timber, and heavy equipment taxes.
Schedule includes amounts for County maintenance and operations.

JACKSON COUNTY, GEORGIA
Local Option Sales Tax Revenues
Last Ten Fiscal Years

Month	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
January	$ 367,617	$ 354,287	$ 511,504	$ 471,384	$ 428,140	$ 386,118	$ 707,519	$ 678,047	$ 346,357	$ 434,336
February	292,192	375,207	497,456	432,693	474,993	305,419	466,281	431,771	438,193	425,574
March	358,479	423,899	510,665	492,622	504,223	541,414	426,565	400,212	473,355	468,626
April	348,321	425,224	522,497	572,104	465,876	387,353	461,020	423,954	424,437	428,961
May	402,036	416,842	473,097	606,113	575,834	384,810	442,728	459,468	534,679	436,050
June	359,817	426,991	558,450	470,511	488,923	425,345	447,686	491,845	498,043	454,998
July	382,045	433,237	552,436	585,458	473,075	488,153	465,776	485,016	503,723	437,346
August	389,516	512,539	552,970	592,816	469,737	398,758	432,155	476,149	489,379	452,262
September	444,568	482,838	681,687	566,647	530,739	404,146	409,324	403,112	471,855	439,876
October	351,255	430,946	370,377	539,572	477,119	423,750	412,249	450,581	486,839	438,014
November	388,904	422,601	443,552	495,908	356,471	473,329	486,774	574,023	474,832	447,623
December	410,040	473,008	512,432	522,912	512,092	147,603	129,965	81,244	582,418	549,340
	$ 4,494,790	$ 5,177,619	$ 6,187,123	$ 6,348,741	$ 5,757,224	$ 4,766,198	$ 5,288,042	$ 5,355,422	$ 5,724,110	$ 5,413,007

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed. Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The estimate for 2011 was that only 1/3 of the amount received in the second month were for the current period. For 2012, this has been changed, so only 1 month is accrued.

The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December 2009 or $295,207.

JACKSON COUNTY, GEORGIA
Special Purpose Local Option Sales Tax Revenues
Last Ten Fiscal Years

Month	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
January	$ 581,786	$ 567,584	$ 814,780	$ 754,505	$ 680,813	$ 616,852	$ 1,135,094	$ 1,087,757	$ 555,496	$ 722,153
February	459,516	590,399	705,608	684,497	760,725	488,378	748,084	692,516	700,482	708,812
March	579,792	658,343	804,568	802,818	804,773	867,594	680,436	642,084	761,912	772,558
April	552,236	220,938	829,779	910,071	745,565	621,423	739,640	680,073	680,952	713,968
May	638,642	157,154	756,055	959,339	921,427	617,301	714,202	737,153	857,803	726,286
June	564,520	127,236	891,761	753,945	740,155	681,403	718,247	789,095	799,041	756,558
July	604,846	579,279	882,354	945,125	801,601	782,793	747,708	778,141	808,088	728,455
August	614,155	703,770	886,534	946,491	752,612	638,835	693,331	763,881	785,144	750,095
September	698,201	723,480	1,083,767	906,503	848,580	648,397	655,356	646,735	754,075	732,263
October	565,823	675,637	611,529	863,130	752,948	679,842	662,283	722,869	783,463	729,883
November	616,176	662,114	709,257	801,192	567,773	780,595	782,990	920,933	761,734	745,491
December	632,338	745,666	823,286	836,541	806,873	236,806	206,448	130,302	934,261	916,218
	$ 7,108,031	$ 6,411,600	$ 9,799,278	$ 10,164,158	$ 9,183,845	$ 7,660,219	$ 8,483,819	$ 8,591,539	$ 9,182,451	$ 9,002,741

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed.
Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The estimate for 2011 was that only 1/3 of the amount received in the second month were for the current period. For 2012, this has been changed, so only 1 month is accrued.
The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December 2009 or $473,613.

JACKSON COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
(amounts expressed in thousands)
Last Ten Fiscal Years

	Governmental Activities					Business-Type Activities				
Fiscal Year	Capital Leases	General Obligation Bonds Payable	GEFA Notes Payable	Contracts Payable (2)	IDA Economic Development Bonds	GEFA Notes Payable	Capital Leases	Total Primary Government (3)	Percentage of Personal Income (1)	Per Capita (1)
2004	$ 28,914	$ -	$ 289	$ 1,601	$ 16,815	$ 504	$ -	$ 48,123	3.80%	$ 981
2005	29,400	-	271	1,511	16,815	454	-	48,451	3.38%	927
2006	28,313	-	251	1,418	16,815	402	-	47,199	2.90%	846
2007	26,245	-	231	49,900	16,145	346	-	92,867	5.59%	1,567
2008	26,588	-	215	49,799	60,455	288	-	137,345	7.83%	2,229
2009	25,972	-	187	49,698	55,385	226	-	131,468	7.03%	2,104
2010	25,145	-	163	47,520	54,930	160	-	127,918	7.29%	2,115
2011	16,039	21,461	138	36,569	54,515	92	-	128,814	7.21%	2,101
2012	15,150	21,215	112	35,711	52,576	19	-	124,783	6.86%	2,060
2013	$ 1,235	$ 20,969	$ 105	$ 46,501	$ 52,576	$ -	$ -	$ 121,386	5.79%	$ 1,989

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.
(2) The contract payable of $24,982 for the Upper Oconee Basin Water Authority was moved to the Jackson County Water & Sewerage Authority component unit in 2002 since the source for repayment is water sales made by that entity.
(3) Debt includes premiums and discounts.

JACKSON COUNTY, GEORGIA
OTHER LONG-TERM LIABILITIES
Last Ten Fiscal Years
(amounts expressed in thousands)

	Governmental Activities				Business-Type Activities					
Fiscal Year	Landfill Closure/ Post-closure (2)	Compensated Absences	Net OPEB Obligation	Total	Landfill Closure/ Post-closure	Compensated Absences	Total	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2004	$ -	$ 469	$ -	$ 469	$ 611	$ 13	$ 624	$ 1,093	0.09%	$ 22
2005	-	466	-	466	831	13	844	1,310	0.09%	25
2006	-	525	-	525	807	13	820	1,345	0.08%	24
2007	-	535	-	535	956	15	971	1,506	0.09%	25
2008	-	630	-	630	946	17	963	1,593	0.09%	26
2009	-	709	1,293	2,002	896	16	912	2,914	0.16%	47
2010	-	749	2,039	2,788	876	18	894	3,682	0.21%	61
2011	-	785	2,729	3,514	623	17	640	4,154	0.23%	68
2012	-	792	3,447	4,239	585	17	602	4,841	0.27%	80
2013	$ -	$ 800	$ 4,120	$ 4,920	$ 922	$ 18	$ 940	$ 5,860	0.28%	$ 96

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.
(2) Landfill closure/postclosure costs were moved from the General fund to the Solid Waste Enterprise fund in 2004.

JACKSON COUNTY, GEORGIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2004	$ -	$ -	$ -	0.0%	$ -
2005	-	-	-	0.0%	-
2006	-	-	-	0.0%	-
2007	-	-	-	0.0%	-
2008	-	-	-	0.0%	-
2009	-	-	-	0.0%	-
2010	-	-	-	0.0%	-
2011	20,355	572	19,783	0.4%	323
2012	21,215	1,334	19,881	0.4%	328
2013	$ 20,969	$ 2,100	$ 18,869	0.4%	$ 309

Note: Details regarding the County's outstanding debt can be found in the notes to the
(1) See Table 6 for property value data.
(2) See Table 15 for population data.

This table is not applicable for these years prior to 2011 for Jackson County.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2013

Jurisdiction	*Debt Outstanding*	*Percentage Applicable to Government*	*Amount Applicable to Government*
Direct Obligations			
Direct Debt			
General Obligation Bonds	$ 20,355,000	100.00%	$ 20,355,000
GEFA Notes Payable	105,014	100.00%	105,014
Total Direct	20,460,014		20,460,014
Intergovernmental Contracts Obligation			
Jackson County Industrial Development Authority	3,605,000	100.00%	3,605,000
Jackson County Industrial Development Authority	14,315,000	100.00%	14,315,000
Jackson County Industrial Development Authority	9,145,000	100.00%	9,145,000
Jackson County Industrial Development Authority	340,000	100.00%	340,000
Jackson County Airport Authority	-	100.00%	-
City of Jefferson Public Building Authority	20,050,000	100.00%	20,050,000
City of Jefferson Public Building Authority	6,680,000	100.00%	6,680,000
City of Jefferson Public Building Authority	8,525,000	100.00%	8,525,000
City of Jefferson Public Building Authority	22,285,000	100.00%	22,285,000
City of Jefferson Public Building Authority	13,660,000	100.00%	13,660,000
Total Intergovernmental Contracts Obligation	98,605,000		98,605,000
Capital Leases			
Capital Lease - Courthouse	-	100.00%	-
Capital Leases - Other	1,234,523	100.00%	1,234,523
Total Capital Leases	1,234,523		1,234,523
Total Direct obligations	120,299,537		120,299,537
Guaranteed Revenue Debt			
Upper Oconee Basin Water Authority	37,435,901	41.52%	15,543,386
Jackson County Water and Sewer Authority	14,390,936	100.00%	14,390,936
Total Guaranteed Revenue Debt	51,826,837		29,934,322
Overlapping General Obligation Debt:			
Jackson County School System	69,444,196	100.00%	69,444,196
City of Commerce Board of Education	15,492,978	100.00%	15,492,978
City of Jefferson Board of Education	41,848,240	100.00%	41,848,240
City of Arcade	425,316	100.00%	425,316
City of Braselton	15,603,700	29.14%	4,546,918
City of Commerce	2,931,984	100.00%	2,931,984
City of Hoschton	5,334,731	100.00%	5,334,731
City of Jefferson	15,943,354	100.00%	15,943,354
City of Maysville	1,363,490	53.79%	733,421
City of Nicholson	-	100.00%	-
City of Pendergrass	140,220	100.00%	140,220
Total Overlapping General Obligation Debt	168,528,209		156,841,358
Total	$ 340,654,583		$ 307,075,217

Sources: Assessed value data used to estimate applicable percentages provided by the State Department of Revenue. Debt outstanding provided by the County. See Table 10.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the county. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the overlapping government's boundaries and dividing it by the overlapping government's total taxable assessed value.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2013

Debt and Assessed Value per Capita[1]

		Per Capita	Debt Amount
Direct General Obligation (G.O.) debt per capita		$ 335	20,460,014
Direct and Contractual G.O. debt per capita	2	$ 1,950	119,065,014
Direct debt, Contractual Debt, Notes, and Leases per capita	3	$ 1,971	120,299,537
Direct and Contractual Debt, Notes, Leases, and Overlapping Debt per capita	4	$ 5,030	307,075,217
Fair Market Value of Taxable Property per capita	5	$ 101,043	
Grossed Assessed value of property before exemptions		$ 2,467,219,753	
Net Tax digest for Maintenance and operations		$ 1,969,179,647	
Estimated Fair Market Value of Taxable Property		$ 6,168,049,383	
Population, estimated 2013		61,044	

1 Based on estimated population for the County as shown above.

2 Contractual debt represents long term Intergovernmental Contract obligations of Jackson County.

3 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County.

4 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County and overlapping direct general obligation debt.

5 Based on 2013 gross assessed valuation before exemptions and estimated fair market value of taxable property in the County shown above.

JACKSON COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Assessed value of property	$ 1,653,827	$ 1,805,737	$ 2,053,350	$ 2,585,051	$ 2,774,940	$ 2,818,604	$ 2,687,883	$ 2,615,464	$ 2,513,773	$ 2,467,122
Debt limit (10% of total assessed value)	165,383	180,574	205,335	258,505	277,494	281,860	268,788	261,546	251,377	246,712
Amount of Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	20,355	20,969	20,969
Less: Resources restricted to paying principal	-	-	-	-	-	-	-	(572)	(1,334)	(2,100)
Total net debt applicable to limit	-	-	-	-	-	-	-	19,783	19,635	18,869
Legal debt margin	$ 165,383	$ 180,574	$ 205,335	$ 258,505	$ 277,494	$ 281,860	$ 268,788	$ 241,763	$ 231,742	$ 227,843
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.56%	7.81%	7.65%

JACKSON COUNTY, GEORGIA
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(amounts expressed in thousands)

	Sales Tax Increment Bonds [1]			
Fiscal Year	Sales Tax Increment	Debt Service Principal	Interest	Coverage
2004	$ -	$ -	$ -	-
2005	6,412	-	-	-
2006	9,799	-	-	-
2007	10,164	1,285	181	6.93
2008	9,184	1,040	190	7.47
2009	7,660	1,080	145	6.25
2010	8,484	1,135	91	6.92
2011	8,592	990	338	6.47
2012	4,588	-	687	6.68
2013	$ 4,499	$ -	$ 686	6.56

[1] Sales tax increment bonds are backed by the sales tax revenue produced by the sales tax rate in effect when the bonds were issued.

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.

JACKSON COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (5)
2004	49,035	1,267,702	25,853	5,907	3.1%
2005	52,292	1,433,899	27,421	6,203	4.1%
2006	55,778	1,626,654	29,163	6,600	3.9%
2007	59,254	1,661,186	28,035	7,125	3.9%
2008	61,620	1,754,013	28,465	7,200	9.5%
2009	62,472	1,869,037	29,918	6,963	10.9%
2010	60,485	1,754,428	29,006	7,984	10.8%
2011	61,313	1,787,826	29,159	7,209	9.1%
2012	60,571	1,820,037	30,048	7,332	8.2%
2013	61,044	$ 2,098,204	$ 34,372	7,400	6.4%

Data sources:
(1) US Bureau of the Census
(2) Amount expressed in thousands
(3) Federal Bureau of Economic Analysis; Then projected for 2011
(4) County School District only; Information for years prior to 2003 is not available.
(5) Jackson County Area Chamber of Commerce

JACKSON COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

		2013			2004		
Employer	Type of Business	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Jackson County Board of Education	School System	1,085	1	3.91%	825	2	5.54%
Wayne Farms, LLC	Processed Chicken	1,100	2	3.96%	1,350	1	9.06%
Chateau Elan Winery	Winer, Resort, Golf			0.00%	500	3	3.36%
Gruma Corporation (Mission Foods)	Food Service	490	3	1.76%	-		0.00%
Northridge Medical Center	Hospital	422	4	1.52%	411	6	2.76%
Kubota Industrial Equipment Corp.	Farm Machinery Manufacturer	400	5	1.44%	251	10	1.68%
Systemax Inc.	Electronics Distributor	300	6	1.08%	-		0.00%
Baker & Taylor Books	Book Distributor	400	7	1.44%	500	4	3.36%
Jackson County Government	Government	360	8	1.30%	400	7	2.68%
Roper Pump Co.	Manufacturing/pumps	325	9	1.17%			0.00%
Havertys	Furniture Distributor			0.00%	450	5	3.02%
Mission Foods	Furniture Distributor			0.00%	385	5	2.58%
Jefferson City Board of Education	Education	-	-	0.00%	285	9	1.91%
TD Automotive Compressors	Compressor Manufacturer	300	10	1.08%	-		0.00%
All other employers		22,589		81.34%	9,544		64.05%
Total		27,771		96.09%	14,901		100.00%

Source: Jackson County Area Chamber of Commerce, The Georgia Department of Labor, and Bureau of Labor Statistics, Jackson County School System

JACKSON COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government	45	48	51	53	60	60	60	50.5	54.3	42.0
Public safety										
Sheriff										
Officers	48	67	66	69	70	80	80	85	78	182
Civilians	64	73	74	74	90	103	104	104	113	21
Emergency	45	49	45	44	50	54	54	53	53	40
Court system	29	29	35	35	44	44	44	39	40	40
Public works	40	42	43	26	27	30	30	22	22	33
Health and welfare	5	7	6	-	1	1	1	1	1	-
Senior Center	10	11	11	11	11	11	11	11	11	11
Transport	2	-	-	2	2	3	3	1	-	1
Recreation and culture	7	8	8	8	8	11	11	7	6	9
Housing and development	-	-	-	20	20	8	8	5.5	5.5	4.0
Solid Waste	-	-	4	4	4	5	5	5	5	5
Total	295	334	343	346	387	410	411	384	389	388

Source: Government Budget Office

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

JACKSON COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Sheriff										
Citations Issued	2,071	2,184	3,049	5,154	4,324	6,432	5,205	5,350	2,028	2,195
Fire										
Number of calls answered	2,206	2,718	2,670	2,152	1,979	1,959	2,200	2,100	1,991	1,952
Highways and streets										
Street resurfacing (miles)	34	18	25	25	23	7	8	7	20	13
Sanitation										
Refuse collected (tons/day)	53	74	81	91	54	73	69	68	63	99 *
Culture and recreation										
Athletic field permits issued	24	23	35	30	15	18	20	22	21	52 *

Sources: Various County departments
Note: Information is not available for many years.

* estimate

JACKSON COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

	Fiscal Year							
	2006	2007	2008	2009	2010	2011	2012	2013*
Function								
General government								
Undeveloped Land	13 parcels, 442.174 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	12 parcels, 269.98 acres	12 parcels, 269.98 acres	12 parcels, 269.98 acres
Buildings (1)	2	4	4	4	4	4	4	4
Vehicles	31	36	28	31	39	38	38	39
Small Equipment	31	57	57	64	83	90	91	95
Public safety								
Undeveloped Land	2	1	1	1	1	1	1	1
Buildings (2)	29	33	33	35	32	33	33	34
Vehicles								
Fire/Pumper Trucks	39	40	45	47	55	54	56	56
Other Fire Dept. Vehicles	9	9	15	17	16	16	15	15
Ambulance/Rescue	16	10	15	15	20	23	25	26
Sheriffs Vehicles	74	88	104	111	133	144	138	143
JCCI Vehicles	9	22	20	20	20	16	14	14
Other Public Safety Vehicles	18	29	35	36	35	35	18	19
Equipment	125	140	114	116	175	206	213	219
Other Public Safety Assets (3)	36	37	38	53	-	-	-	
Court system								
Buildings (4)	2	2	2	2	2	2	2	2
Vehicles	5	1	4	4	1	1	1	1
Small Equipment	15	18	21	21	19	19	19	19
Public works								
Buildings	10	9	9	9	9	9	9	9
Vehicles								
Road Department	45	43	50	51	57	58	58	64
Building Inspector	11	10	10	10	-	-	-	
Other	13	8	6	6	11	12	-	
Small Equipment	3	2	4	8	3	3	-	
Heavy Equipment	60	77	97	103	104	108	105	105
Roads								
Miles Paved during year	22	5	5	5	-	-	-	-
Miles Resurfaced during year	9.6	25.0	22.9	7.2	8.0	6.6	26.7	15.76
Total Miles Paved Roads	530	540	532	500	500	500	509	490.69
Total Miles Unpaved Roads	134	140	140	111	111	111	111	137
Health and welfare								
Undeveloped Land	1 parcel, 1.06 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres
Buildings	6	6	6	6	6	6	6	6
Vehicles	6	6	6	7	8	9	9	9
Equipment	2	2	2	2	2	3	3	3
Recreation and culture								
Undeveloped Land	6 parcels, 101.12 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres
Buildings (4)	7	5	5	8	10	10	10	10
Vehicles	12	11	14	14	14	14	12	11
Equipment	22	26	29	35	35	35	35	39
Housing and development								
Buildings	1	1	1	1	1	1	1	1
Vehicles	4	4	4	5	5	5	5	4
Equipment	2	2	2	2	2	3	3	3

Sources: Various county departments
No data is available prior to 2006

(1) Major buildings include Administration Building .
(2) Major buildings include Jail and Correctional Institute. The Jail currently has a 424 bed capacity. The Correctional Institute currently has a 174 bed capacity.
(3) Major Buildings include historic courthouse and new courthouse.
(4) Major buildings include structures at County Recreation Complex.
Note: Some land figures in 2007 have changed from 2006 due to better asset controls.
* In 2013 The Roads department along with GIS remapped all exisiting roadways within the county inventory. Adjustements were made for the paved road mileage.

JACKSON COUNTY, GEORGIA
INSURANCE COVERAGE
December 31, 2013

	LIMITS	DEDUCTIBLES
Property Coverages (including Equipment Breakdown)		
Real and personal property	Per schedule on file	$25,000
Automobile physical damage and mobile equipment	Per schedule on file	$25,000
Earthquake - per occurance and aggregate	$5,000,000	$25,000
Flood - per occurance and aggregate	$5,000,000	$25,000
Except as respects locations situated wholly or partially within Flood Zones A or V	$1,000,000	$25,000
Casualty Coverages		
General Liability	$2,000,000	$25,000
Law enforcement liability	$2,000,000	$25,000
Automobile liability per occurance, no aggregate	$2,000,000	$25,000
Uninsured motorist	Excluded	
Errors and omissions liability - per occurance	$2,000,000	$25,000
aggregate	$4,000,000	$25,000
Crime Coverages		
Money and securities:		
within premise	$150,000	$25,000
outside premise	$150,000	$25,000
Blanket employee dishonesty	$50,000	$25,000
Statutory bonds	As required	$0
Forgery and alteration	$150,000	$25,000
Computer theft and funds transfer fraud	$150,000	$25,000
Money orders and counterfeit currency	$150,000	$25,000

JACKSON COUNTY , GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended December 31, 2013

FEDERAL GRANTOR/ PASS-THRU GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT/ CONTRACT NUMBER	PROGRAM OR AWARD AMOUNT	EXPENDITURES
U.S. DEPARTMENT OF JUSTICE				
- LLEBG Bulletproof Vest Partnership Program	16.607	2010BUBX	$ 1,925	$ 1,925
Total U.S. Department of Justice			**1,925**	**1,925**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed-through the Georgia Department of Community Affairs				
- Neighborhood Stabilization Program	14.264	11-ns-6007	843,607	410,065
- Jackson County 2012 CDBG: Boys and Girls Club -Jefferson Facility	14.225	12p-y-078-1-5473	500,000	500,000
Total U.S. Department of Housing and Urban Development			**1,343,607**	**910,065**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed-through the Northeast Georgia Regional Development Center				
- Special Programs for the Aging, Title III, B	93.044	FY 2013 Aging Services Contract	9,408	4,704
- Special Programs for the Aging, Title III, B	93.044	FY 2013 Aging Services Contract	2,591	2,408
- Special Programs for the Aging, Title III, C1	93.045	FY 2013 Aging Services Contract	57,863	28,732
- Special Programs for the Aging, Title III, C1	93.045	FY 2013 Aging Services Contract	45,729	22,865
- Special Programs for the Aging, Title III, C2	93.045	FY 2013 Aging Services Contract	39,296	25,166
- Special Programs for the Aging, Title III, C2	93.045	FY 2013 Aging Services Contract	13,045	21,713
- Special Programs for the Aging, NSIP	93.053	FY 2013 Aging Services Contract	19,223	10,897
- Special Programs for the Aging, NSIP	93.053	FY 2013 Aging Services Contract	17,921	8,957
		Aging Cluster	205,076	125,442
Total U.S. Department of Health and Human Services			**205,076**	**125,442**
U.S. DEPARTMENT OF TRANSPORTATION				
Passed-through the Georgia Department of Transportation				
-Operating Assistance Grant July 2012 - June 2013	20.507	GA-18-4031	62,404	14,821
-Operating Assistance Grant July 2013- June 2014	20.507	GA-18-4028	62,701	33,894
			125,105	48,714
Passed-through the Georgia Department of Transportation				
-Airport Improvement	20.106	AP011-9014-21(157)	78,025	16,326
			78,025	16,326
Passed through Advantage Behavioral Systems of Northeast Georgia Regional Commission				
-Coordinated Transportation Grant	20.513	FY 2013 Aging Services Contract	15,939	15,939
-Coordinated Transportation Grant	20.513	FY 2013 Aging Services Contract	25,281	25,281
			41,220	41,220
Total U.S. Department of Transportation			**244,350**	**106,260**
DEPARTMENT OF HOMELAND SECURITY				
Passed-through the Georgia Emergency Management Agency				
-Emergency Management Performance Grant	97.042	2013-EP-00-0015	22,056	22,056
			22,056	22,056
Federal Emergency Management Agency				
-FEMA Assistance to Firefighters Grant	97.044	EMW-2012-FO-05834	112,575	112,575
Total U.S. Department of Homeland Security			**134,631**	**134,631**
U.S. DEPARTMENT OF AGRICULTURE				
Passed-through the Georgia Department of Community Affairs				
-Lanier Technical College Industrial Classroom Grant	10.766	07 - Lanier Tech ARC		142,191
Total U.S. Department of Agriculture			-	142,191
GRAND TOTAL			**$ 1,929,589**	**$ 1,420,514**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
1 This schedule is prepared on the modified accrual basis of accounting.

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INDEPENDENT AUDITORS' 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*

August 22, 2014

To the Board of Commissioners
JACKSON COUNTY, GEORGIA, Georgia
Jefferson, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of JACKSON COUNTY, GEORGIA, as of and for the year ended December 31, 2013, which collectively comprise the JACKSON COUNTY, GEORGIA's basic financial statements and have issued our report thereon dated August 22, 2014. Our report was modified to include a reference to 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. Our report includes a reference to other auditors who audited the financial statements of the Jackson County Health Department, as described in our report on JACKSON COUNTY, GEORGIA's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered JACKSON COUNTY, GEORGIA's internal control over financial reporting (internal control) to determine the 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 JACKSON COUNTY, GEORGIA's internal control. Accordingly, we do not express an opinion on the effectiveness of the JACKSON COUNTY, GEORGIA'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control described in the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency in internal control over financial reporting, finding 13-01.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether JACKSON COUNTY, GEORGIA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

JACKSON COUNTY, GEORGIA's Response to Findings

JACKSON COUNTY, GEORGIA's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. JACKSON COUNTY, GEORGIA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

August 22, 2014

To the Board of Commissioners
JACKSON COUNTY, GEORGIA
Jefferson, Georgia

Report on Compliance for Each Major Federal Award Program

We have audited JACKSON COUNTY, GEORGIA's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of JACKSON COUNTY, GEORGIA's major federal programs for the year ended December 31, 2013. JACKSON 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.

JACKSON COUNTY, GEORGIA's basic financial statements include the operations of the Jackson County Health Department. Any amounts of federal awards received by that component unit are not included in the schedule during the year ended December 31, 2013. Our audit, described below, did not include the operations of Jackson County Health Department because the component unit engaged other auditors to perform an audit in accordance with Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of JACKSON 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 JACKSON 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 of JACKSON COUNTY, GEORGIA's compliance.

Opinion on Each Major Federal Program

In our opinion, JACKSON 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, 2013.

Report on Internal Control Over Compliance

Management of JACKSON 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 JACKSON 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 OMB Circular A-133, 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 JACKSON 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 a 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 first paragraph of this section 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.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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JACKSON COUNTY, GEORGIA
AUDITORS' SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2013

I SUMMARY OF AUDITORS' RESULTS:

1. Report issued on Financial Statements - Unmodified opinion.
2. Internal Control (financial statements) – One significant deficiencies, no material weakness.
3. Compliance (financial statements) – No material instance of noncompliance.
4. Compliance (major programs) - Unmodified opinion, no instances of noncompliance.
5. Internal control (major programs) – No material weaknesses noted.
6. Audit findings required to be reported under A133 Section 510(a)
    - i) Significant deficiencies in internal controls over major programs – None reported
    - ii) Material noncompliance related to major programs – None reported
    - iii) Known questioned costs greater than $10,000 for major programs – None reported
    - iv) Known questioned costs greater than $10,000 for a program not audited as major – None reported
    - v) Circumstances if report on compliance is other than unqualified - N/A
    - vi) Known fraud - N/A
    - vii) Misrepresentation in schedule of prior audit findings - None reported
7. Major programs for the year: 14.264 Neighborhood Stabilization Program and 14.225 2012 CDBG: Boys and Girls Club - Jefferson Facility.
8. Dollar threshold used to distinguish between Type A and Type B programs - $300,000.
9. Does the auditee qualify as a low risk auditee under A133 Section 530 - Yes.

II AUDIT FINDINGS - GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

SIGNIFICANT DEFICIENCIES

2013-01 Statement of Condition

The Clerk of Court does not have a detailed listing of custodial funds including condemnation, cash bonds, and other items that agrees to the balance in the bank accounts.

Criteria

Since the Clerk's funds are all held in trust for some entity, the amounts of money due to each entity should be identifiable at the end of each month.

Effect of Condition

The absence of detailed listings lends itself to errors and a failure to disburse money to the appropriate parties.

Cause of Condition

Account activity is recorded in an Excel spreadsheet rather than using an accounting software properly.

Recommendation

To track future condemnation, cash bonds, and other items that the Clerk receives, we recommend utilizing the interface to Quick Books that is in the existing computer system and ICON in order to track such items not yet disbursed. Furthermore, a detailed listing by individual item not yet disbursed should be prepared on a monthly basis. The total of these undisbursed funds should be agreed to the bank balance at the end of each month.

Response

Management agrees with this finding. The Clerk's Office will work with its software vendor to generate itemized open case reports that accurately communicates all fund being held. If that is not possible, the office will find a solution for better tracking of these items individually.

III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned cost relating to Federal awards reported for the year ended December 31, 2013.