

**PAULDING COUNTY, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2017**

**Prepared By:**  
**The Paulding County Finance Department**

## **INTRODUCTORY SECTION**

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**PAULDING COUNTY, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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# PAULDING COUNTY BOARD OF COMMISSIONERS

240 Constitution Blvd. \* Dallas, Georgia 30132  
Telephone 770-505-1352 \* Fax 770-505-1353

December 13, 2017

Board of Commissioners and Citizens  
Paulding County, Georgia

The Comprehensive Annual Financial Report of Paulding County, Georgia, for the fiscal year ended June 30, 2017, is submitted herewith as mandated by local ordinances and the State of Georgia statutes. These ordinances and statutes require that Paulding County issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Management of the County is responsible for establishing and maintaining an internal control structure which is designed to ensure that the assets of the County are protected from loss, theft, or misuse; and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Georgia statutes require an annual audit by an independent firm of certified public accountants. The Board of Commissioners selected the accounting firm of Mauldin & Jenkins CPAs, LLC. The auditor's report on the basic financial statements and schedules is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

## **Profile of Paulding County**

Paulding County, incorporated in 1832, was the 87<sup>th</sup> county created in Georgia and was named after John Paulding, a soldier in the Revolutionary War. Paulding County's rich historical resources include a number of well-preserved Civil War memorials, including the New Hope Church that was the site of the 1864 battle between General Sherman and Confederate General Johnston. The County is located approximately 29 miles northwest of Atlanta. The County has a land area of 314 square miles and a population of approximately 155,825.

Policymaking and legislative authority are vested in the governing authority, consisting of a five-member Board of Commissioners, including a full-time Chairman. The Commission Chairman is elected at large, while the four other members are elected by district. All members serve four-year, staggered terms. The commission is responsible, among other things, for adopting ordinances and budgets, appointing committees, and confirming department heads. The Chairman is the chief executive and is responsible for carrying out policies and ordinances of the commission and for appointing the heads of the County's departments. The Chairman is also responsible for the daily operations of County functions in accordance with policies of the Board of Commissioners. The governing authority of the County is empowered to levy a property tax on both real and personal property located within its boundaries.

This report includes all funds of the County, as well as its component units. Component units are either 1) legally separate entities for which the County is financially accountable; or 2) entities whose relationship with the County is of a nature and significance that exclusion would cause the County's financial statements to be misleading or incomplete. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position from those of the primary government.

The County provides a full range of services which include law enforcement and fire protection; the construction and maintenance of roads, streets, bridges, and infrastructure; water and sewer; solid waste; and recreational and cultural activities. The Paulding County Board of Education and WellStar Paulding Medical Center have not met the established criteria for inclusion in the reporting entity, and accordingly, are excluded from this report.

*Budgeting Controls.* The County maintains extensive budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's Board of Commissioners. Activities of the general fund, special revenue funds, and debt service fund, are included in the annual appropriated budget. Annual budgets for the enterprise funds are adopted for management and control purposes. Project-length financial plans are adopted for certain capital projects. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the department level. The County also maintains an encumbrance accounting system as one method of maintaining budgetary control. Encumbered amounts lapse at year-end. However, outstanding encumbrances generally are re-appropriated as part of the following year's budget.

## **Local Economy**

The County's unemployment rate of 4.9% represents a slight decrease from last year and is slightly lower than the rate of 5.6% for the State of Georgia. However, Paulding County is not experiencing as significant an impact on the homeownership rate as the State. Paulding County continues to hold a high home-ownership rate of 79.0% and 18.8% of the families living below the poverty level, compared to State averages of 63.3% and 16.0%, respectively.

The County's rapid residential growth slowed substantially in 2008. However, in 2013 we began to see recovery signs and in 2017 growth is nearing pre-recession rates. Commercial construction, however, experienced a less intensive slow down compared to housing. A positive outlook for future growth of Paulding is the opening of the County's general aviation airport, the opening of the new WellStar Hospital, and completion of the film studio. In 2016 Paulding County began construction of the Richland Creek Reservoir. The County's transition from a bedroom community into a more self-sustaining community will present significant challenges for the County, as the demand for services will change. To meet the needs of these changes the County is exploring new methods of obtaining financial resources and providing higher quality and more efficient services at less cost. The County is in its first year of a six-year special purpose local option sales tax (SPLOST) used to fund the construction and improvement

of roads, construction of recreational facilities, and public safety capital improvements. A new SPLOST referendum was approved by the voters in May 2016 and began collections in April 2017. Since 1988, the County's voters have supported seven consecutive referendums for a special purpose local option sales tax (SPLOST) for the County, as well as, seven consecutive similar referendums for the construction of schools.

### **Long-term financial planning**

All amounts, unless otherwise indicated are expressed in thousands of dollars.

*General Fund Balance.* The fund balance of the General Fund remained stable in 2017, as a result of conservative spending policies and budget control measures. The unassigned fund balance of \$47,747 represents 299 working days of expenditures. This level of unassigned fund balance should significantly reduce the likelihood of the County entering the short-term debt market to pay current operating expenditures.

*Proprietary Operations.* The County's proprietary operations are comprised of three, separate and distinct activities: the Water and Sewer System, the Solid Waste Disposal System and the Department of Family and Children's Services (DFCS) facility. The Water and Sewer System operates with no subsidy from the County's General Fund. Revenue from the Solid Waste Disposal System generates approximately 95% of its cost to operate. The State of Georgia leases the space for DFCS from the County, the proceeds of which provide revenue sufficient to cover the costs of operations and debt service. Paulding County's Water and Sewer System is currently constructing a reservoir to provide water to Paulding County residents.

Under the provisions of GASB Statement Number 18, the County reports an accrual of \$3,793 for landfill closure and post closure care costs as of June 30, 2017. The Landfill is incurring an annual accrual for the anticipated post closure care cost and monitoring the closure of the landfill.

*Debt Administration.* At June 30, 2017, the County had a number of debt issues outstanding. These issues included \$66,215 of general obligation bonds, and \$173,395 of revenue bonds. The County maintains an Aa1 rating from Moody's Investor Service and a AA rating from Standard and Poor's Rating Service on general obligation issues and for the revenue issues, an Aa3 from Moody's and AA stable from Standard and Poor's. Under current Georgia statutes, the County's general debt issuances are subject to legal limitation based on 10 percent of total assessed value of real and personal property. As of June 30, 2017, the County's net general obligation bonded debt of \$60,119 was well below the legal limit of \$376,907. General obligation debt per capita equaled \$386 (three hundred and eighty-six dollars).

*For the Future.* During the next four years, the County will complete a number of ambitious capital projects, along with designations of certain areas of the County as special zoning districts to enhance the quality of residential and commercial growth.

In the fall of 2008, the County opened a general aviation airport. The initial length of the runway is 5500 feet. In 2015 the Airport Authority restriped the runway to take advantage of the full 6,000 feet of runway that was constructed in 2008. In 2014, the airport completed a taxiway widening project bringing the width of all taxiways to 50 feet. Due to increasing demand and limited availability of hanger space in the Atlanta Metropolitan Area, the planned Paulding Northwest Atlanta Airport has generated considerable interest in the aviation community. The first phase of hangers is completed and 100% of them are leased with a new 35,000 square foot hanger completed and ready and available for leasing. A fuel farm is now operational. This allows for aircraft to purchase fuel at the airport. The County's master plan for the area includes clustered, self-sustainable, high-tech living-working-

recreation development with a green focus. In 2010, a Fixed Base Operator (FBO) was selected, "Paulding Jet Center" and is currently operational.

To address the leisure and recreational needs of its family-focused community, the County has constructed four multipurpose parks. In 2017 the County completed the fifth 166 acre multipurpose park in the Union area.

To address the future water supply needs, the County is currently in the construction phase of the Richland Creek Reservoir project. Construction should be complete and Paulding County will be supplying water in 2021.

### **Relevant financial policies**

Paulding County's financial policies were established with the primary goal to provide a sound basis for future financial planning and conservative management. These policies include (1) a balanced annual operating budget, (2) maintenance of adequate unassigned fund balance.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal controls are designated to provide reasonable, but not absolute, assurance regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the department level by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. Open encumbrances are reported as assigned fund balances at year-end for governmental funds.

### **Major Initiatives**

*For the Year.* In preparing the 2017 budget, the County's staff, under specific directives from the governing authority, identified several major programs necessary to meet the citizens' needs for services and to safeguard the environment. These programs reflect the County's commitment to continued improvement in the quality of life for its citizens.

Throughout the year, the County continued its improvement program for transportation, which consisted of system additions, improvements to collector roads, and major intersection improvements.

In 2014, the County completed the construction phase for a major by-pass in the Hiram area. This project was primarily funded through a federal grant. The by-pass has relieved traffic congestion in the County's primary commercial district. The Bill Carruth Parkway widening to a four lane was completed in 2017 and together the Bill Carruth Parkway and East Hiram Bypass will provide a by pass to the Commercial district. The Seven Hills Parkway Extension was also completed in 2014. This project continues to relieve congestion in the Cedarcrest area where Paulding County experienced the greatest residential growth over the past 10 years. Each project is providing many travel alternatives.

In 2016, the County completed the design phase of Richland Creek Reservoir and entered into the construction phase of the Reservoir. The 404 permit was issued by the Corp of Engineers in October 2015. Construction is well

underway in 2017, and the project is expected to be complete in 2021. This reservoir will allow Paulding County to provide its own water to the citizens of Paulding County.

Paulding County Industrial Building Authority completed the construction phase and entered into the operational phase of the film industry in 2012. The filming of the studios first feature length film "42" was completed in 2012. Since that time the Atlanta Film Studio has provided a home for the filming of Warner Bros "Vacation", "Fake Off" an AMC original TV series "Halt and Catch Fire" and other films such as "Office Christmas Party". A long-term lease is currently utilizing the space. The film studio is currently located within the local union's 30 mile zone which makes filming more affordable.

Also during the coming years, and to be carried out concurrently with the airport project, the County will work closely with the Industrial Building Authority in an aggressive pursuit of economic development. Planned projects include the acquisition of land for the development of business park(s), as well as other business park development in close proximity to the County's existing sewer plants. The most notable business park is the 100 acre Class A Paulding Commerce Park. This site is capable of housing facilities up to 500,000 square feet. It is located off of Bill Carruth Parkway.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the year ended June 30, 2016. This was the twenty-first, consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the efficient and dedicated services of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

In closing, without the progressive leadership of the Board of Commissioners, preparation of this report would not have been made possible.

Respectfully submitted,



Tabitha Pollard  
Finance Director



David L. Carmichael  
County Chairman



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Paulding County  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

PAULDING COUNTY, GEORGIA

PRINCIPAL OFFICIALS

JUNE 30, 2017

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BOARD OF COMMISSIONERS

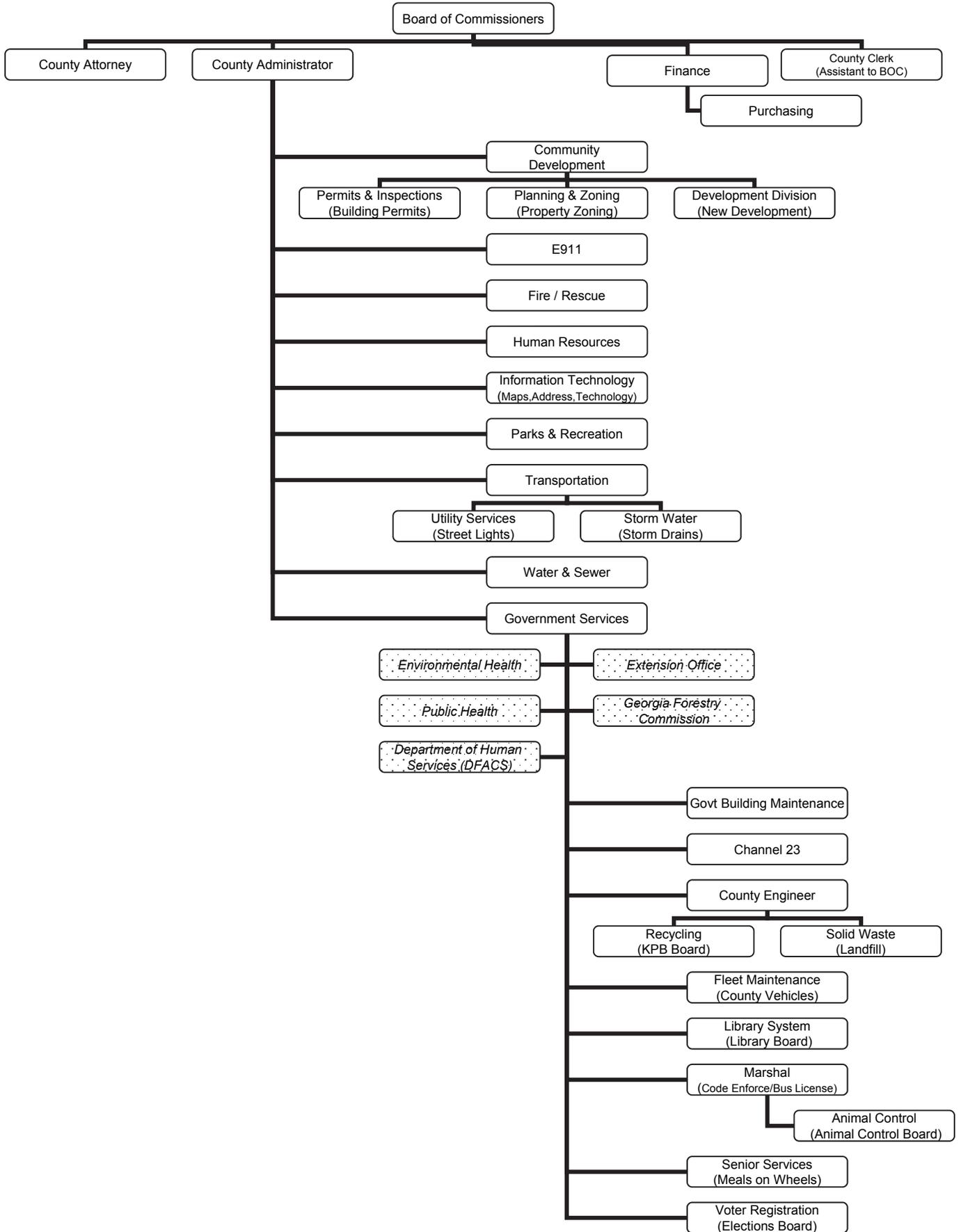
David Carmichael	Chairman
Ron D. Davis	Post 1
Todd Pownall	Post 2
Vernon Collett	Post 3
Tony Crowe	Post 4

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OTHER ELECTED OFFICIALS

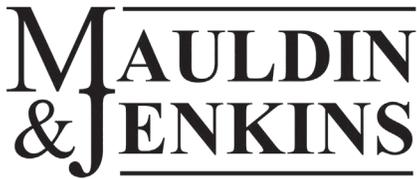
Clerk of Superior Court	Treva Shelton
District Attorney	Dick Donovan
Probate Judge	Deborah Anderson
Sheriff	Gary Gulledge
Superior Court Judge	Tonny Beavers
Tax Commissioner	J. Bill Watson, III

# Paulding County, Georgia Organization Chart



## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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**Board of Commissioners  
of Paulding County, Georgia  
Dallas, 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 **Paulding County, Georgia** (the "County"), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Paulding County, Georgia's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Paulding County Board of Health, which represent 2.7 percent, 0.3 percent, and 26.0 percent of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Paulding County Board of Health, is based solely on the report of the other auditor. 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.

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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 the other auditor, 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 Paulding County, Georgia as of June 30, 2017, 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.

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***Other Matters******Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 13), the budgetary comparison information for the General Fund (on pages 67 and 68), the budgetary comparison information for the Fire Tax Fund (on page 69), the schedule of changes in the County's net pension liability and related ratios (on page 70), and the schedule of County contributions (on page 71) 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 Paulding County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the schedules of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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The combining and individual fund financial statements and schedules and schedules of expenditures of special purpose local option sales tax proceeds (collectively “the supplementary information”) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017, on our consideration of Paulding 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s 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 the County’s internal control over financial reporting and compliance.



Atlanta, Georgia  
December 13, 2017

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of Paulding County Government, we offer readers of Paulding County's financial statements this narrative overview and analysis of the financial activities of Paulding County for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iv through viii of this report.

All amounts, unless otherwise indicated, are expressed in thousands for dollars.

### Financial Highlights

- The assets and deferred outflows of resources of Paulding County exceeded its liabilities at June 30, 2017, by \$648,863 (net position), an increase of \$41,843 from the prior year. Of this amount, \$40,631 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2017, Paulding County's governmental funds reported combined ending fund balances of \$104,470, an increase of \$6,324 from the prior year. Approximately \$47,747 is available for spending at the government's discretion (unassigned fund balance).
- At the fiscal year end, unassigned fund balance for the General Fund was \$47,747, or 82 percent of general fund expenditures.
- Paulding County's governmental activities bonds payable, net decreased by \$4,304 from the prior year and the total general obligation long-term debt at June 30, 2017 was \$66,215, compared to a legal debt limit of \$376,907.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Paulding County's basic financial statements. Paulding County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide the reader with a broad overview of Paulding County's financial position in a manner similar to private-sector business. These statements include the Statement of Net Position and the Statement of Activities and can be found on pages 14 and 15 of this report.

The Statement of Net Position presents information on all of Paulding County's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how Paulding County'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., for uncollected taxes and

earned but unused employee leave). Because the Statement of Activities separates program, or function revenue (revenue generated by specific functions through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a specific function), it shows to what extent each function must rely on taxes for funding. All changes in net position are reported using the accrual basis of accounting which is similar to the method used by most private-sector enterprises. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of the cash flows. Items such as uncollected taxes, unpaid vendor invoices for items received during the fiscal year, and earned, but unused employee leave, are included in the Statement of Activities as revenues and expenses, even though the cash associated with these items was not received nor distributed during the fiscal year.

Paulding County has identified the Paulding County Industrial Building Authority (IBA), Paulding County Airport Authority and the Paulding County Board of Health as component units due to the significance of their operational or financial relationships with the County. 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 14 and 15 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. Paulding 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 Paulding County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Governmental funds are used to account for most or all of the County's tax-supported activities. Proprietary funds are used to account for the County's business-like activities, where all or a substantial portion of the costs of activities are supported by fees and charges paid directly by users of the services. Fiduciary funds are used to account for resources that are held by the County as a trustee or agent for parties outside of County government. The resources of the fiduciary funds cannot be used to support the County's own programs.

**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 financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balance of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

Paulding County 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, the Fire Tax Fund, and the SPLOST IV Fund all of which are considered to be major funds. Data from the remaining 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.

Paulding County adopts an annual appropriated budget for its governmental funds, with the exception of capital projects funds for which project-length budgets are adopted. Budgetary comparison statements for these funds have been provided to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 16 through 19 of this report.

**Proprietary funds.** Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Paulding County uses enterprise funds to account for its Water and Sewer System, Solid Waste operations and the Department of Family and Children's Services building.

The enterprise fund financial statements provide separate information for the Water and Sewer System which is to be considered a major fund of Paulding County. The other two enterprise funds of the County are aggregated into a single presentation in the basic proprietary fund financial statements. Individual fund data for each of the non-major proprietary funds is provided in the form of combining statements. The proprietary fund combining statements follow the governmental fund combining statements in this report, on pages 87 through 89.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the County government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Paulding County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 23.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 24 through 66.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Paulding County's progress in funding its obligation to provide pension benefits and budgetary comparison information. Required supplementary information can be found on pages 67 through 71 of this report.

## **Government-wide Financial Analysis**

**Statement of Net Position.** As noted earlier, net position may serve over time as a useful indicator of the County's financial position. As of June 30, 2017, Paulding County's combined (government and business-type activities) assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$648,863. A significant portion of the County's net position, 75 percent, is its investment in capital assets (e.g., land, buildings, infrastructure, and equipment), less related outstanding debt that was used to acquire those assets. Because Paulding County uses these capital assets to provide services to its residents, these assets are not available for future spending. Although Paulding County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 116,014	\$ 107,296	\$ 205,125	\$ 57,780	\$ 321,139	\$ 165,076
Capital Assets	453,019	433,463	234,937	165,572	687,956	599,035
Total assets	<u>569,033</u>	<u>540,759</u>	<u>440,062</u>	<u>223,352</u>	<u>1,009,095</u>	<u>764,111</u>
Deferred outflows of resources	<u>10,163</u>	<u>9,793</u>	<u>1,060</u>	<u>465</u>	<u>11,223</u>	<u>10,258</u>
Long-term liabilities outstanding	96,311	100,479	250,116	54,526	346,427	155,005
Other liabilities	8,095	5,565	16,851	6,779	24,946	12,344
Total liabilities	<u>104,406</u>	<u>106,044</u>	<u>266,967</u>	<u>61,305</u>	<u>371,373</u>	<u>167,349</u>
Deferred inflow of resources	<u>81,517</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,517</u>	<u>-</u>
Net position:						
Net investment in capital assets	378,740	353,602	131,297	115,440	510,037	469,042
Restricted	44,813	50,425	33,702	32,292	78,515	82,717
Unrestricted	51,155	40,481	9,156	14,780	60,311	55,261
Total net position	<u>\$ 474,708</u>	<u>\$ 444,508</u>	<u>\$ 174,155</u>	<u>\$ 162,512</u>	<u>\$ 648,863</u>	<u>\$ 607,020</u>

An additional portion of the County's net position for governmental activities, \$44,813; and for business-type activities, \$49,196, represent resources that are subject to external restrictions on how they may be used. The governmental restricted resources represent SPLOST funds for roads, recreation and public safety capital improvements, and certain judicial expenses or activities. \$21,340 for business-type activities is restricted to water and sewer system improvements and \$12,362 is restricted for debt service. The remaining balances of unrestricted net position, \$51,155 for governmental activities, and business-type activities unrestricted net position is \$9,156 due to the debt issued for the construction of the Reservoir. The County's current water and sewer rate structure is established to meet the County's ongoing obligations to its citizens and creditors.

At June 30, 2017, Paulding County Governmental Activities are able to report positive balances in all categories of net position, however, business-type activities report a negative unrestricted amount due to the additional restrictions met when debt was issued for the reservoir construction.

Paulding County's property taxes increased \$907 a 2% increase from the prior year. Sales and other taxes increased by \$1,621 or about 4% from last year. Approximately 24% of the County's total revenue from governmental activities came from sales tax and 40 % from property tax. Charges for goods and services provided about 11 % of governmental revenue.

The County's largest expense is for Public Safety at \$37,680, or 42% of total governmental expenses. Public Safety expense increased due to increased personnel cost. The 2<sup>nd</sup> largest expense is for Public Works at \$19,507, or 21% of total governmental expenses.

Revenues:	Governmental Activities		Business-type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Program Revenues:						
Charges for services	\$ 13,257	\$ 11,186	\$ 36,283	\$ 31,954	\$ 49,540	\$ 43,140
Operating grants and contributions	331	423	-	-	331	423
Capital grants and contributions	17,057	9,267	8,402	6,420	25,459	15,687
General Revenues:						
Property taxes	48,040	47,132	-	-	48,040	47,132
Other taxes	40,765	39,144	-	-	40,765	39,144
Other	1,691	82	90	34	1,781	116
Total Revenues	<u>121,141</u>	<u>107,234</u>	<u>44,775</u>	<u>38,408</u>	<u>165,916</u>	<u>145,642</u>
Expenses:						
General government	16,901	17,913	-	-	16,901	17,913
Judicial	5,892	6,160	-	-	5,892	6,160
Public safety	37,680	35,794	-	-	37,680	35,794
Public works	19,507	21,218	-	-	19,507	21,218
Culture and recreation	4,298	4,211	-	-	4,298	4,211
Health and welfare	1,112	1,101	-	-	1,112	1,101
Housing and development	2,840	6,660	-	-	2,840	6,660
Intergovernmental	-	-	-	-	-	-
Interest on long-term debt	2,511	2,615	-	-	2,511	2,615
Water and sewer	-	-	31,640	28,390	31,640	28,390
Other programs	-	-	1,692	1,452	1,692	1,452
Total Expenses	<u>90,741</u>	<u>95,672</u>	<u>33,332</u>	<u>29,842</u>	<u>124,073</u>	<u>125,514</u>
Increase in net position before transfers	<u>30,400</u>	<u>11,562</u>	<u>11,443</u>	<u>8,566</u>	<u>41,843</u>	<u>20,128</u>
Transfers	<u>(200)</u>	<u>(2,732)</u>	<u>200</u>	<u>2,732</u>	<u>-</u>	<u>-</u>
Change in net position	<u>30,200</u>	<u>8,830</u>	<u>11,643</u>	<u>11,298</u>	<u>41,843</u>	<u>20,128</u>
Net position - beginning, before restatement	444,508	433,994	162,512	151,214	607,020	585,208
Restatement	-	1,684	-	-	-	1,684
Net position-beginning, after restatement	<u>444,508</u>	<u>435,678</u>	<u>162,512</u>	<u>151,214</u>	<u>607,020</u>	<u>586,892</u>
Net position ending	<u>\$ 474,708</u>	<u>\$ 444,508</u>	<u>\$ 174,155</u>	<u>\$ 162,512</u>	<u>\$ 648,863</u>	<u>\$ 607,020</u>

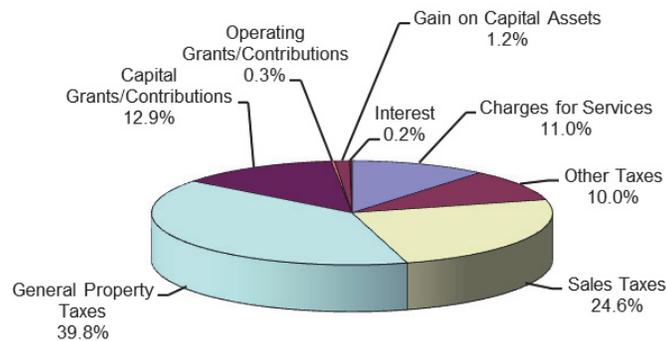
## Governmental Activities Revenues

The County relies heavily on property taxes to support the governmental operations. Property taxes provided 40% of total revenues as compared to 44% in 2016. While the other tax collections increased by \$1,621 which consists of a number of small taxes as well as larger revenue sources such as sales tax which had an increase of \$748 as well as insurance premium tax which had an increase of \$428 and intangible recording tax which increased in the amount of \$186.

Charges for services increased by approximately 19%. All functions of governmental activities Charges for Services increased in 2017. The general government increased primarily due to increased tax commissions from School Board. Operating grants increased due to additional funding to the court system from the State of GA.

Overall, Paulding County's economy is improving and can be seen in the revenue stream of the County. The tax digest is moving in a positive direction as well as the unemployment rate has declined again, and these factors impact the revenues of Paulding County government.

### Revenues by Source for Governmental Activities



## Governmental Activities Expenses

The following table presents the cost of each of the County's programs, including the net cost less revenues generated by the activities). The net cost illustrates the financial burden that was placed on the County's taxpayers by each function.

	Governmental Activities			
	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General Government	\$ 16,901	18.6%	\$ 14,270	23.7%
Judicial	5,892	6.5%	2,803	4.7%
Public Safety	37,680	41.5%	32,319	53.8%
Public Works	19,508	21.5%	2,763	4.6%
Culture and Recreation	4,297	4.7%	1,073	1.8%
Health & Welfare	1,112	1.2%	3,627	6.0%
Housing & Development	2,840	3.1%	730	1.2%
Interest on LT Debt	2,511	2.8%	2,511	4.2%
<b>Total</b>	<b>\$ 90,741</b>	<b>100%</b>	<b>\$ 60,096</b>	<b>100.0%</b>

## **Business Type Activities**

Business type activities consist of water and sewer system, solid waste as well as the rental of space to the State of Georgia to provide office space to the Department of Children's Services. The increase to charges and services is primarily due to the increase in water and sewer fees as well as the increase in landfill fees. The solid waste fund revenues increased by \$384; however, the operating expenses for solid waste also increased by \$287. The solid waste funds long term liabilities of \$3,793 allow for closure and post-closure care costs.

## **Financial Analysis of the Government's Funds**

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

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

Paulding County ended the 2017 fiscal year with positive fund balances in its governmental funds. The combined fund balance for the governmental funds is \$104,470. Of that amount, fund balances in the County's three major funds are \$59,894 in the General Fund, \$9,382 in the Fire Tax and \$21,697 in SPLOST IV. Approximately 43 percent of total governmental fund balances, \$47,747 in the General is unassigned and available for spending in the coming year. The assigned fund balance is not available for new spending rather it is assigned to 2017 outstanding encumbrances \$2,904, future landfill closure cost \$1,425, \$3,171 was obligated to the 2018 adopted budget, \$1,000 replace the water system administration building and \$50 assigned to Library. The committed fund balance is in the Sheriff Commissary fund and the Sheriff committed the funds to be used for the inmates. The remainder of fund balance is restricted or non-spendable in nature (\$130) indicating that it is not available for new spending because it is restricted 1) to pay debt service (\$6,096); and 2) for other restricted purposes (\$12,981). The \$25,284 fund balance in SPLOST III and IV will be spent to construct a major County park facility, a fire station and other public safety facilities, as well as road improvements.

The General Fund is the primary operating fund of Paulding County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$47,747, while total fund balance was \$59,894. As a measure of the County's liquidity, it may be useful to compare both the unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 82% of total General Fund expenditures, while total fund balance represents 103% of that same amount.

The fund balance of the General Fund increased by \$11,735. While operational revenues increased as well as tax revenue, expenditures remained lower due to the reduction measures imposed over the past few years. Changes in revenue for all governmental funds from the prior year are as follows:

- Total revenue increased by \$5,206 from the prior year.
- Property tax revenue increased by \$1,367 as a result of a slight increase in residential property values as well as a slight decrease in the millage rate along with the imposition of the motor vehicle ad valorem tax, while the local option sales tax increased by \$346.
- Charges for services increased by \$1,447, as a result of an increase in residential development as well as an increase in Sheriff and court fees.

The fund balance of the Fire Tax Fund increased by \$1,770. The Fire Tax Fund is primarily funded with property tax, and therefore the increase in property values has resulted in an increase in revenues.

SPLOST III, SPLOST IV, SPLOST V and Capital Projects funds are all used to account for Capital Projects. The fund balance of the SPLOST III fund decreased by \$600. The fund balance of SPLOST IV has decreased by \$8,627. The SPLOST III sales tax collections were collected through March 2011 and as a result of the passing of a new referendum SPLOST IV collections began in April 2011. The SPLOST V sales tax collections began in March 2017. The projects in SPLOST III are completed which reduced the fund balance to \$0, and the County was collecting funds in the new SPLOST to allow for projects to begin under the new SPLOST. The Capital Projects fund accounts for projects funded by sources other than SPLOST revenues. The reduction in the Capital Projects fund balance is primarily due to a transfer made to the general fund. This transfer occurred because federal funds had been received for projects that occurred in earlier years, and funds were originally transferred from the General Fund to cover the expense.

### **Proprietary Funds**

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

Two of the County's Enterprise Funds, the Water and Sewer System and Solid Waste Disposal, provide services to the general public and require periodic evaluation and determination of revenues. The County also maintains an Enterprise Fund for a rental facility which is currently leased to the State of Georgia, Department of Family and Children's Services and Child Support Enforcement.

The largest, and only major Enterprise Fund is the Water and Sewer Fund. Total operating revenue from the Water and Sewer System for 2017 was \$33,385 representing an increase of 12% from 2016. The County, along with other metro counties subsequently implemented a rate increase to offset the 8% increase in expenses. The cost of the County's water purchased increased 10% from 2016. This increase was due to an increase passed on to the County by the County's supplier Cobb County Marietta Water Authority.

### **General Fund Budgetary Highlights**

The legal level of control (the level at which expenditures cannot legally exceed appropriations) is at the department level. The County's primary budgeted fund is the General Fund. The Board of Commissioners is required to adopt the County's budget at their first regular meeting each August. The General Fund Budget was amended during the year for an increase in appropriations of \$514. The most notable expenditure amendments are as follows:

- Culture and Recreation increased by \$372 due to additional personnel expense as well as the library completed some renovation projects partially paid for by the West Georgia Library system.
- Housing and Development increased by \$265 due to a debt payment made on behalf of the IBA as well as an additional encumbrance for the Comprehensive Plan that carried over from the 2016 budget.
- Public Works increased by \$10 due to a personnel shift between recycling and the landfill (enterprise fund).

Property values increased again in 2017, the millage rate was decreased to balance the increase anticipated in property taxes. Taxes other than property taxes increased by 2% with a sales tax increase of \$346. Total tax revenue increased by \$1,266. At June 30, 2017, General Fund revenues exceeded estimates by \$3,977, and expenditures were \$3,684 less than budget. The General Funds fund balance increased by \$11,735.

Budget versus actual amounts: Paulding County General Fund remained within the operating budget during fiscal year 2017. Expenditures were evaluated throughout the year. Actual expenditures were less than budget in all functions.

### **Capital Assets and Debt Administration**

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2017 amounts to \$687,955 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, machinery and equipment, and construction in progress.

The total increase in Paulding County's investment in capital assets for the current fiscal year was 15 percent. Additional information on Paulding County's capital assets can be found in note 5 on pages 40 through 44 of this report.

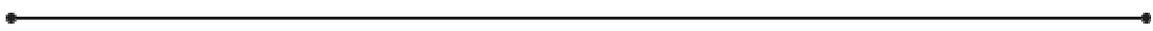
Long-term debt: At June 30, 2017, Paulding County had a total of \$249,179 in outstanding bonded debt. That amount represents \$66,215 in General Obligation Courthouse, Jail, Administrative Building, Reservoir, conservation and Government Complex Bonds; and \$182,964 in Water and Sewer Revenue Bonds. The County also had five Georgia Environmental Finance Authority loans totaling \$59,556. These loans funded capital projects including water reuse lines (\$506), and the remaining loans (\$59,050) were for the construction of the reservoir. More information about these debts can be found on page 50. The County has entered into intergovernmental agreements with the Industrial Building Authority as well as the Airport Authority and report an intergovernmental payable of \$15,415. Information about the intergovernmental payable can be found on page 48 for the Governmental Activities and page 52 for the Business-type activities.

Paulding County maintains an "Aa1" rating from Moody's and an "AA" rating from Standard and Poor's on its General Obligation debt and an "Aa3" rating from Moody's and an "AA" rating from Standard and Poor's on its Revenue debt.

Additional information on the County's long-term debt can be found in note 7 on pages 46 through 58.

### **Economic Factors and Next year's Budgets and Rates**

- The unemployment rate for Paulding County was up slightly from last year, at 4.9%. This rate compared to the state's rate of 5.6%.
- For the tax year 2016, the County's total tax digest increased by \$227,931 or 6%. Paulding County has reduced the millage rate to neutralize the tax increase.
- Paulding County's general purpose Local Option Sales Tax enabled the County to rollback its property tax rate by 3.39 mills for the 2016 tax year.



### **Requests for Information**

This financial report is designed to provide a general overview of Paulding County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial should be addressed to Paulding County Finance Department, 240 Constitution Boulevard, Dallas, Georgia 30132.

**PAULDING COUNTY, GEORGIA**

**STATEMENT OF NET POSITION  
JUNE 30, 2017**

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Board of Health	Industrial Building Authority	Airport Authority
<b>ASSETS</b>						
Cash and cash equivalents	\$ 101,661,422	\$ 17,325,693	\$ 118,987,115	\$ 931,732	\$ 540,545	\$ -
Intergovernmental receivables	2,059,023	-	2,059,023	215,716	-	-
Taxes receivable	2,485,121	-	2,485,121	-	-	-
Internal balances	5,465,534	(5,465,534)	-	-	-	-
Other receivables	947,732	7,729,205	8,676,937	10	180,138	22,552
Due from component units	3,265,238	-	3,265,238	-	1,175,000	-
Due from primary government	-	-	-	-	13,395,000	2,790,717
Inventory	-	266,919	266,919	56,791	-	-
Prepays	130,037	-	130,037	-	-	-
Restricted cash and cash equivalents	-	40,273,756	40,273,756	-	240,058	-
Restricted investments	-	144,967,510	144,967,510	-	-	-
Land held for development	-	-	-	-	3,867,970	-
Other assets	-	-	-	-	-	325
Lease receivable	-	-	-	-	8,260,000	-
Prepaid bond insurance	-	28,105	28,105	-	-	-
Capital assets, nondepreciable	82,370,684	92,868,878	175,239,562	-	288,554	5,664,175
Capital assets, depreciable, net of accumulated depreciation	370,648,032	142,067,730	512,715,762	6,758	1,094,708	6,008,940
<b>Total assets</b>	<b>569,032,823</b>	<b>440,062,262</b>	<b>1,009,095,085</b>	<b>1,211,007</b>	<b>29,041,973</b>	<b>14,486,709</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred charges on refunding	3,956,904	1,060,272	5,017,176	-	68,113	-
Pension related items	6,205,716	-	6,205,716	348,163	-	-
<b>Total deferred outflows of resources</b>	<b>10,162,620</b>	<b>1,060,272</b>	<b>11,222,892</b>	<b>348,163</b>	<b>68,113</b>	<b>-</b>
<b>LIABILITIES</b>						
Accounts payable	4,334,922	3,523,929	7,858,851	343	-	345,962
Accrued liabilities	2,989,646	588,014	3,577,660	-	182,883	24,806
Due to primary government	-	-	-	-	3,265,238	-
Due to component unit	770,412	-	770,412	-	-	-
Intergovernmental payables	-	-	-	63,740	-	-
Construction contracts payable	-	4,185,736	4,185,736	-	-	-
Retainage payable	-	4,581,897	4,581,897	-	-	-
Customer deposits payable	-	3,008,249	3,008,249	-	240,000	1,125
Unearned revenue	-	963,114	963,114	-	-	-
Noncurrent liabilities due within one year						
Intergovernmental payable - component units	1,110,000	450,000	1,560,000	-	-	60,000
Compensated absences payable	2,793,575	284,765	3,078,340	-	-	-
Note payable	-	285,755	285,755	-	-	14,508
Landfill closure and postclosure	-	549,735	549,735	-	-	-
Bonds payable	4,455,000	3,820,000	8,275,000	-	1,415,000	345,000
Noncurrent liabilities due in more than one year						
Intergovernmental payable - component units	10,910,305	2,945,000	13,855,305	-	-	1,115,000
Compensated absences payable	1,197,247	122,042	1,319,289	34,649	-	-
Note payable	-	59,271,122	59,271,122	-	-	91,107
Landfill closure and postclosure	-	3,243,730	3,243,730	-	-	-
Bonds payable	61,760,000	179,144,358	240,904,358	-	13,517,463	1,675,305
Due to Silver Comet Terminal Partnership	-	-	-	-	-	360,000
Net pension liability	14,084,555	-	14,084,555	1,374,471	-	-
<b>Total liabilities</b>	<b>104,405,662</b>	<b>266,967,446</b>	<b>371,373,108</b>	<b>1,473,203</b>	<b>18,620,584</b>	<b>4,032,813</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension related items	81,517	-	81,517	18,584	-	-
<b>Total deferred inflows of resources</b>	<b>81,517</b>	<b>-</b>	<b>81,517</b>	<b>18,584</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>						
Net investment in capital assets	378,740,315	131,297,493	510,037,808	6,758	1,383,262	8,012,195
Restricted for:						
Judicial services	820,910	-	820,910	-	-	-
Public safety services	12,422,504	-	12,422,504	-	-	-
Debt service	6,284,825	12,361,728	18,646,553	-	-	-
Capital projects	25,284,374	21,340,054	46,624,428	-	-	-
Unrestricted	51,155,336	9,155,813	60,311,149	60,625	9,106,240	2,441,701
<b>Total net position</b>	<b>\$ 474,708,264</b>	<b>\$ 174,155,088</b>	<b>\$ 648,863,352</b>	<b>\$ 67,383</b>	<b>\$ 10,489,502</b>	<b>\$ 10,453,896</b>

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

**PAULDING COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 16,900,789	\$ 2,630,665	\$ -	\$ -
Judicial	5,891,909	2,796,435	292,627	-
Public safety	37,680,165	4,282,488	33,669	1,045,258
Public works	19,507,720	1,356,297	-	15,388,929
Health and welfare	1,112,089	33,660	5,000	-
Culture and recreation	4,297,563	608,261	-	62,276
Housing and development	2,839,882	1,549,347	-	560,169
Interest on long-term debt	2,510,741	-	-	-
Total governmental activities	<u>90,740,858</u>	<u>13,257,153</u>	<u>331,296</u>	<u>17,056,632</u>
Business-type activities:				
Water and sewer	31,639,600	34,403,385	-	8,402,225
DFACS building	87,167	342,989	-	-
Solid waste	1,604,773	1,536,372	-	-
Total business-type activities	<u>33,331,540</u>	<u>36,282,746</u>	<u>-</u>	<u>8,402,225</u>
Total primary government	<u>\$ 124,072,398</u>	<u>\$ 49,539,899</u>	<u>\$ 331,296</u>	<u>\$ 25,458,857</u>
<b>Component units:</b>				
Board of Health	\$ 1,714,431	\$ 683,195	\$ 822,232	\$ -
Industrial Building Authority	3,316,534	23,780	-	701,161
Airport Authority	1,472,914	149,998	350,000	3,990,902
Total component units	<u>\$ 6,503,879</u>	<u>\$ 856,973</u>	<u>\$ 1,172,232</u>	<u>\$ 4,692,063</u>

General revenues:

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for fire services
- Intangible recording taxes
- Local option sales taxes
- Special purpose local option sales taxes
- Insurance premium taxes
- Alcoholic beverage taxes
- Cable TV franchise taxes
- Real estate transfer taxes
- Business taxes
- Unrestricted investment earnings
- Gain on sale of capital assets
- Other income
- Grants not restricted to specific programs

Transfers

- Total general revenues and transfers
- Change in net position
- Net position, beginning of year, restated
- Net position, end of year

The accompanying notes are an integral part of these financial statements

**Net (Expense) Revenue and  
Changes in Net Position**

Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Board of Health	Industrial Building Authority	Airport Authority
\$ (14,270,124)	\$ -	\$ (14,270,124)	\$ -	\$ -	\$ -
(2,802,847)	-	(2,802,847)	-	-	-
(32,318,750)	-	(32,318,750)	-	-	-
(2,762,494)	-	(2,762,494)	-	-	-
(1,073,429)	-	(1,073,429)	-	-	-
(3,627,026)	-	(3,627,026)	-	-	-
(730,366)	-	(730,366)	-	-	-
(2,510,741)	-	(2,510,741)	-	-	-
(60,095,777)	-	(60,095,777)	-	-	-
-	11,166,010	11,166,010	-	-	-
-	255,822	255,822	-	-	-
-	(68,401)	(68,401)	-	-	-
-	11,353,431	11,353,431	-	-	-
\$ (60,095,777)	\$ 11,353,431	\$ (48,742,346)	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ (209,004)	\$ -	\$ -
-	-	-	-	(2,591,593)	-
-	-	-	-	-	3,017,986
\$ -	\$ -	\$ -	\$ (209,004)	\$ (2,591,593)	\$ 3,017,986
\$ 27,654,274	\$ -	\$ 27,654,274	\$ -	\$ -	\$ -
8,317,260	-	8,317,260	-	-	-
12,067,843	-	12,067,843	-	-	-
1,538,672	-	1,538,672	-	-	-
13,251,618	-	13,251,618	-	-	-
15,510,716	-	15,510,716	-	-	-
7,091,400	-	7,091,400	-	-	-
790,732	-	790,732	-	-	-
1,530,011	-	1,530,011	-	-	-
435,857	-	435,857	-	-	-
616,319	-	616,319	-	-	-
231,967	89,503	321,470	484	58	240
1,459,167	-	1,459,167	-	-	-
-	-	-	173	-	-
-	-	-	326,000	-	-
(200,000)	200,000	-	-	-	-
90,295,836	289,503	90,585,339	326,657	58	240
30,200,059	11,642,934	41,842,993	117,653	(2,591,535)	3,018,226
444,508,205	162,512,154	607,020,359	(50,270)	13,081,037	7,435,670
\$ 474,708,264	\$ 174,155,088	\$ 648,863,352	\$ 67,383	\$ 10,489,502	\$ 10,453,896

**PAULDING COUNTY, GEORGIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017**

<b>ASSETS</b>	<b>General</b>	<b>Fire Tax</b>	<b>SPLOST IV</b>	<b>Nonmajor Governmental Funds</b>	<b>Total</b>
Cash and cash equivalents	\$ 52,833,534	\$ 10,637,735	\$ 25,946,413	\$ 12,243,740	\$ 101,661,422
Accounts receivable	515,351	51,847	-	380,534	947,732
Taxes receivable	668,181	294,501	-	1,522,439	2,485,121
Intergovernmental receivables	1,208,133	-	-	850,890	2,059,023
Due from other funds	9,062,179	-	-	25,921	9,088,100
Prepaid items	130,037	-	-	-	130,037
<b>Total assets</b>	<b>\$ 64,417,415</b>	<b>\$ 10,984,083</b>	<b>\$ 25,946,413</b>	<b>\$ 15,023,524</b>	<b>\$ 116,371,435</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 845,598	\$ 37,368	\$ 3,166,091	\$ 285,865	\$ 4,334,922
Other accrued liabilities	2,124,362	-	-	-	2,124,362
Due to other funds	25,921	1,302,273	1,083,448	282,273	2,693,915
Due to component unit	-	-	-	770,412	770,412
Advances from other funds	928,651	-	-	-	928,651
<b>Total liabilities</b>	<b>3,924,532</b>	<b>1,339,641</b>	<b>4,249,539</b>	<b>1,338,550</b>	<b>10,852,262</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	598,575	262,204	-	188,464	1,049,243
Total deferred inflows of resources	598,575	262,204	-	188,464	1,049,243
<b>FUND BALANCES</b>					
Fund balances:					
Nonspendable:					
Prepays	130,037	-	-	-	130,037
Restricted:					
Judicial services	-	-	-	820,910	820,910
Public safety services	-	9,382,238	-	2,778,062	12,160,300
Capital projects	-	-	21,696,874	3,587,500	25,284,374
Debt service	-	-	-	6,096,361	6,096,361
Committed:					
Commissary purchases	-	-	-	213,677	213,677
Assigned:					
Use of reserves in subsequent budget	3,171,307	-	-	-	3,171,307
Infrastructure maintenance	2,717,675	-	-	-	2,717,675
Capital projects	1,946,200	-	-	-	1,946,200
Developer infrastructure projects	1,520,419	-	-	-	1,520,419
State agency facilities	1,000,000	-	-	-	1,000,000
Supplies	186,472	-	-	-	186,472
Library	50,127	-	-	-	50,127
Landfill cost of closure	1,425,000	-	-	-	1,425,000
Unassigned	47,747,071	-	-	-	47,747,071
<b>Total fund balances</b>	<b>59,894,308</b>	<b>9,382,238</b>	<b>21,696,874</b>	<b>13,496,510</b>	<b>104,469,930</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 64,417,415</b>	<b>\$ 10,984,083</b>	<b>\$ 25,946,413</b>	<b>\$ 15,023,524</b>	<b>\$ 116,371,435</b>

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

**PAULDING COUNTY, GEORGIA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds		\$ 104,469,930
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	\$ 627,178,247	
Less accumulated depreciation	<u>(174,159,531)</u>	453,018,716
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Property taxes	<u>\$ 1,049,243</u>	1,049,243
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	\$ (66,215,000)	
Unamortized deferred charge on refunding	3,956,904	
Accrued interest	(865,284)	
Intergovernmental payable	(12,020,305)	
Compensated absences payable	<u>(3,990,822)</u>	(79,134,507)
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the County's pension plan are not expected to be liquidated with expendable financial resources and, therefore, are not reported in the funds.		
Net pension liability	\$ (14,084,555)	
Pension related deferred outflows of resources	6,205,716	
Pension related deferred inflows of resources	<u>(81,517)</u>	(7,960,356)
Debt payments are currently being paid by the County on behalf of a component unit. These payments will be repaid to the County by the component unit in a future period.		<u>3,265,238</u>
Total net position - governmental activities		<u>\$ 474,708,264</u>

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

**PAULDING COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	General	Fire Tax	SPLOST IV	Nonmajor Governmental Funds	Total
<b>Revenues:</b>					
Taxes	\$ 52,791,901	\$ 12,372,094	\$ 11,702,682	\$ 12,396,871	\$ 89,263,548
Licenses and permits	1,029,939	5,425	-	-	1,035,364
Intergovernmental	3,200,641	109,868	934,091	919,202	5,163,802
Fines and forfeitures	1,180,026	-	-	263,524	1,443,550
Charges for services	6,988,270	-	-	3,042,482	10,030,752
Interest income	177,341	49,990	139,328	10,980	377,639
Contributions	170,695	-	167,578	-	338,273
Miscellaneous	576,127	-	-	6,783	582,910
Total revenues	<u>66,114,940</u>	<u>12,537,377</u>	<u>12,943,679</u>	<u>16,639,842</u>	<u>108,235,838</u>
<b>Expenditures:</b>					
Current:					
General government	11,360,379	-	-	-	11,360,379
Judicial	5,645,643	-	-	215,516	5,861,159
Public safety	22,115,558	10,767,384	-	2,989,253	35,872,195
Public works	12,434,833	-	-	-	12,434,833
Health and welfare	1,032,947	-	-	-	1,032,947
Culture and recreation	3,562,865	-	-	-	3,562,865
Housing and development	2,107,320	-	-	-	2,107,320
Intergovernmental	-	-	1,647,914	349,576	1,997,490
Capital outlay	-	-	20,426,814	1,960,004	22,386,818
Debt service:					
Principal	-	-	-	5,340,000	5,340,000
Interest	-	-	-	2,280,938	2,280,938
Total expenditures	<u>58,259,545</u>	<u>10,767,384</u>	<u>22,074,728</u>	<u>13,135,287</u>	<u>104,236,944</u>
Excess (deficiency) of revenues over expenditures	7,855,395	1,769,993	(9,131,049)	3,504,555	3,998,894
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	2,021,087	-	503,800	-	2,524,887
Transfers in	2,058,806	-	-	-	2,058,806
Transfers out	(200,000)	-	-	(2,058,806)	(2,258,806)
Total other financing sources (uses)	<u>3,879,893</u>	<u>-</u>	<u>503,800</u>	<u>(2,058,806)</u>	<u>2,324,887</u>
Net change in fund balances	11,735,288	1,769,993	(8,627,249)	1,445,749	6,323,781
<b>Fund balances, beginning of year</b>	<u>48,159,020</u>	<u>7,612,245</u>	<u>30,324,123</u>	<u>12,050,761</u>	<u>98,146,149</u>
<b>Fund balances, end of year</b>	<u>\$ 59,894,308</u>	<u>\$ 9,382,238</u>	<u>\$ 21,696,874</u>	<u>\$ 13,496,510</u>	<u>\$ 104,469,930</u>

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

**PAULDING 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 JUNE 30, 2017**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 6,323,781

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	\$ 23,669,130	
Depreciation expense	<u>(14,392,265)</u>	9,276,865

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.

Sale of capital assets	\$ (1,065,720)	
Donated assets	<u>11,345,063</u>	10,279,343

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (458,846)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction; however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments - bonds and intergovernmental payable		5,899,695
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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.

Amortization of prepaid bond insurance	\$ (6,255)	
Amortization of bond premium	48,668	
Amortization of deferred charges on refunding	(366,941)	
Change in compensated absences	46,544	
Change in accrued interest	94,725	
Pension expense	<u>(1,171,478)</u>	(1,354,737)

Debt payments are currently being made on behalf of a component unit. The funds paid out will be repaid to the County in future periods. These debt payments are expenditures in the governmental fund statements, but a receivable is recorded on the government wide statements.

233,958

Change in net position - governmental activities \$ 30,200,059

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

# PAULDING COUNTY, GEORGIA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2017

	Water & Sewer Fund	Nonmajor Enterprise Funds	Total
<b>ASSETS</b>			
Current assets:			
Cash	\$ 16,472,600	\$ 853,093	\$ 17,325,693
Receivables	7,653,883	75,322	7,729,205
Inventories	266,919	-	266,919
Restricted assets:			
Cash	40,273,756	-	40,273,756
Investments	144,967,510	-	144,967,510
Total current assets	209,634,668	928,415	210,563,083
Noncurrent assets:			
Advances to other funds	-	928,651	928,651
Prepaid bond insurance	28,105	-	28,105
Capital assets:			
Capital assets, not being depreciated	92,256,645	612,233	92,868,878
Capital assets, being depreciated	218,508,675	5,217,548	223,726,223
Less accumulated depreciation	(78,515,719)	(3,142,774)	(81,658,493)
Total capital assets, net of accumulated depreciation	232,249,601	2,687,007	234,936,608
Total noncurrent assets	232,277,706	3,615,658	235,893,364
Total assets	441,912,374	4,544,073	446,456,447
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges on refunding	1,060,272	-	1,060,272
Total deferred outflows of resources	1,060,272	-	1,060,272
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	3,457,031	66,898	3,523,929
Accrued expenses	588,014	-	588,014
Construction contracts payable	4,185,736	-	4,185,736
Retainage payable	4,581,897	-	4,581,897
Customer deposits payable	3,008,249	-	3,008,249
Due to other funds	6,391,242	2,943	6,394,185
Due to Industrial Building Authority	450,000	-	450,000
Unearned revenue	963,114	-	963,114
Compensated absences, current	264,908	19,857	284,765
Notes payable, current	285,755	-	285,755
Landfill closure and postclosure, current	-	549,735	549,735
Revenue bonds payable, current	3,820,000	-	3,820,000
Total current liabilities	27,995,946	639,433	28,635,379
Long-term liabilities:			
Due to Industrial Building Authority	2,945,000	-	2,945,000
Compensated absences	113,532	8,510	122,042
Notes payable	59,271,122	-	59,271,122
Landfill closure and postclosure	-	3,243,730	3,243,730
Revenue bonds payable	179,144,358	-	179,144,358
Total long-term liabilities	241,474,012	3,252,240	244,726,252
Total liabilities	269,469,958	3,891,673	273,361,631
<b>NET POSITION</b>			
Net investment in capital assets	128,610,486	2,687,007	131,297,493
Restricted:			
Debt Service	12,361,728	-	12,361,728
Capital Projects	21,340,054	-	21,340,054
Unrestricted	11,190,420	(2,034,607)	9,155,813
Total net position	\$ 173,502,688	\$ 652,400	\$ 174,155,088

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

**PAULDING COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Water & Sewer Fund	Nonmajor Enterprise Funds	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 31,645,543	\$ -	\$ 31,645,543
Penalties	706,822	-	706,822
Miscellaneous revenues	1,033,019	28,420	1,061,439
Landfill and recycling fees	-	1,507,952	1,507,952
Lease income	-	342,989	342,989
Total operating revenues	<u>33,385,384</u>	<u>1,879,361</u>	<u>35,264,745</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	4,035,400	289,089	4,324,489
Other operating expenses	6,355,229	1,294,873	7,650,102
Depreciation expense	5,799,173	106,611	5,905,784
Water purchases	13,169,069	-	13,169,069
Total operating expenses	<u>29,358,871</u>	<u>1,690,573</u>	<u>31,049,444</u>
Operating income	4,026,513	188,788	4,215,301
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Line maintenance fees	983,731	-	983,731
Interest income	89,503	-	89,503
Rent	34,270	-	34,270
Interest expense	(2,280,729)	(1,367)	(2,282,096)
Total nonoperating revenues (expenses)	<u>(1,173,225)</u>	<u>(1,367)</u>	<u>(1,174,592)</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>			
	2,853,288	187,421	3,040,709
Capital contributions	8,402,225	-	8,402,225
Transfers in	-	200,000	200,000
Total capital contributions and transfers	<u>8,402,225</u>	<u>200,000</u>	<u>8,602,225</u>
Change in net position	11,255,513	387,421	11,642,934
<b>NET POSITION, beginning of year</b>	<u>162,247,175</u>	<u>264,979</u>	<u>162,512,154</u>
<b>NET POSITION, end of year</b>	<u>\$ 173,502,688</u>	<u>\$ 652,400</u>	<u>\$ 174,155,088</u>

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

**PAULDING COUNTY, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Water & Sewer Fund	Nonmajor Enterprise Funds	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 33,840,536	\$ 1,854,557	\$ 35,695,093
Payments to suppliers and service providers	(14,691,672)	(1,436,681)	(16,128,353)
Payments to employees	(4,021,764)	(280,012)	(4,301,776)
Net cash provided by operating activities	<u>15,127,100</u>	<u>137,864</u>	<u>15,264,964</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments	(143,626,534)	-	(143,626,534)
Interest received	89,503	-	89,503
Net cash used in investing activities	<u>(143,537,031)</u>	<u>-</u>	<u>(143,537,031)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(58,954,284)	-	(58,954,284)
Principal payments on notes	(276,999)	(190,954)	(467,953)
Principal payments on bonds	(3,670,000)	-	(3,670,000)
Payment to escrow agent	(11,434,109)	-	(11,434,109)
Principal payments on intergovernmental payables	(440,000)	-	(440,000)
Proceeds from notes payable	43,630,664	-	43,630,664
Proceeds from issuance of bonds	167,706,360	-	167,706,360
Interest and fiscal charges paid	(6,488,424)	(2,052)	(6,490,476)
Line maintenance fees received	983,731	-	983,731
Capital contributions received	4,996,714	-	4,996,714
Net cash provided by (used in) capital and related financing activities	<u>136,053,653</u>	<u>(193,006)</u>	<u>135,860,647</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Rental income	34,270	-	34,270
Transfers in	-	200,000	200,000
Net cash provided by noncapital financing activities	<u>34,270</u>	<u>200,000</u>	<u>234,270</u>
Net increase in cash and cash equivalents	7,677,992	144,858	7,822,850
<b>Cash and cash equivalents:</b>			
Beginning of year	49,068,364	708,235	49,776,599
End of year	<u>\$ 56,746,356</u>	<u>\$ 853,093</u>	<u>\$ 57,599,449</u>
<b>Classified as:</b>			
Cash	\$ 16,472,600	\$ 853,093	\$ 17,325,693
Restricted cash	40,273,756	-	40,273,756
Total	<u>\$ 56,746,356</u>	<u>\$ 853,093</u>	<u>\$ 57,599,449</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	\$ 4,026,513	\$ 188,788	\$ 4,215,301
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	5,799,173	106,611	5,905,784
(Increase) decrease in accounts receivable	262,273	(24,804)	237,469
Increase in advances to other funds	-	(254,950)	(254,950)
Decrease in inventories	172,199	-	172,199
Increase in accounts payable	766,164	17,056	783,220
Increase in due to other funds	3,894,263	2,943	3,897,206
Increase in customer deposits payable	193,195	-	193,195
Decrease in unearned revenue	(316)	-	(316)
Increase in post closure care costs	-	93,143	93,143
Increase in compensated absences	13,636	9,077	22,713
Net cash provided by operating activities	<u>\$ 15,127,100</u>	<u>\$ 137,864</u>	<u>\$ 15,264,964</u>
<b>NONCASH INVESTING ACTIVITIES</b>			
Donation of capital assets from developers	\$ 3,405,511	-	-

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

# PAULDING COUNTY, GEORGIA

## STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS JUNE 30, 2017

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<b>ASSETS</b>	<b>Agency Funds</b>
Cash and cash equivalents	\$ 4,382,036
Taxes receivable	<u>1,631,490</u>
Total assets	<u>\$ 6,013,526</u>
<b>LIABILITIES</b>	
Due to others	\$ 4,382,036
Uncollected taxes	<u>1,631,490</u>
Total liabilities	<u>\$ 6,013,526</u>

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

**PAULDING COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Paulding County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (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 County's accounting policies are described below.

**A. Reporting Entity**

The County is a political subdivision of the State of Georgia and is governed by an elected County chairman and four elected commissioners. As required by generally accepted accounting principles, these financial statements include the principal financial activities of the County. In accordance with GASB requirements, the County considered potential component units for inclusion in its financial reporting entity. The Paulding County Health Department, Paulding County Industrial Building Authority, and Paulding County Airport Authority are included in the reporting entity because the Paulding County Board of Commissioners directly appoints a majority of component unit board members and a financial benefit/burden exists.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County 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 relationship with the County. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

**Discretely Presented Component Units**

The Paulding County Health Department (the "Health Department") serves the citizens of Paulding County and is governed by a board of appointed officials. The Paulding County Board of Commissioners appoints the officials to this board. Paulding County also makes monthly contributions to the Health Department to assist in operations. The Health Department operates on a July 1 through June 30 fiscal year.

A copy of the Paulding County Health Department's financial statements may be obtained by writing to the following address: Georgia Department of Human Resources District 1 Unit 1, 1305 Redmond Road, Building 614, Rome, GA 30165-1391.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. Reporting Entity (Continued)

##### Discretely Presented Component Units (Continued)

The Paulding County Industrial Building Authority (the “Industrial Building Authority”) serves the citizens of Paulding County and is governed by a board of appointed officials. The Paulding County Board of Commissioners appoints the officials to this board. Paulding County also makes monthly contributions to the Industrial Building Authority to assist in operations. The Industrial Building Authority issued bonds to provide capital for the construction of the Industrial Building Park and a sewer plant to accommodate the park. The Industrial Building Authority operates on a July 1 through June 30 fiscal year.

A copy of the Paulding County Industrial Building Authority’s financial statements may be obtained by writing to the following address: Paulding County Chamber of Commerce, 455 Jimmy Campbell Parkway, Dallas, Georgia 30132.

The Paulding County Airport Authority (the “Airport Authority”) serves the citizens of Paulding County and is governed by a board of appointed officials. The Paulding County Board of Commissioners appoints the officials to this board. Paulding County acts as the fiscal agent for the Airport Authority and provides personnel to oversee the construction and development of the airport. The Airport Authority operates on a July 1 through June 30 fiscal year. Separate financial statements are not prepared for the Paulding County Airport Authority.

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the 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.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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.

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Agency funds, however, have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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 County considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period for which they are levied. Intergovernmental revenues susceptible to accrual are considered available if they are collected within 9 months of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, alcoholic beverage taxes, licenses, sales taxes, franchise taxes, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County and are recognized as revenue at that time.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The County reports the following major governmental funds:

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

The **Fire Tax Fund** accounts for the operations of the fire department as well as capital purchases. A tax levy is placed on all property within Paulding County. The tax levy is restricted to the operational and capital expenditures of the fire department.

The **SPLOST IV Capital Projects Fund** accounts for resources which are used exclusively for roads, public safety, recreation, and economic development. The SPLOST IV fund replaces SPLOST III as the term for SPLOST III expired in April 2011 and SPLOST IV began in 2011.

The County reports the following major proprietary fund:

The **Water and Sewer Enterprise Fund** is the only major enterprise fund. This fund accounts for the operations of the water distribution and the sewer collection systems as well as related construction projects.

Additionally, the County reports the following fund types:

The **special revenue funds** account for revenue sources that are legally restricted or committed to expenditure for specific purposes (not including major capital projects).

The **capital projects funds** account for the acquisition of capital assets for construction of major capital projects not being financed by proprietary funds.

The **Debt Service Fund** accounts for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

The **agency funds** are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity. The County accounts for assets held with Constitutional Officers for property taxes and fines and fees paid within the judicial system.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

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 *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### D. Deposits and Investments

The County'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.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAf rated money market funds and is regulated by the Georgia 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 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. Deposits and Investments (Continued)

State statutes authorize the County to invest in obligations of the U.S. Government or its agencies and corporations, obligations fully insured or guaranteed by the U.S. Government or its agencies, prime bankers acceptances, the State of Georgia Local Government Investment Pool, obligations of other political subdivisions of the State of Georgia, and repurchase agreements.

#### E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

#### F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when acquired (purchase method) and are not inventoried at year end due to immateriality. Enterprise funds’ inventories are valued at cost, which approximates market, and are expensed when used (consumption method).

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. These items are accounted for using the consumption method.

#### G. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, 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 one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. However, all additions to land and buildings are capitalized. Donated capital assets are recorded at estimated acquisition value. No depreciation is taken on the donated assets in the same year of contribution.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### G. Capital Assets (Continued)

The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances.

Capital assets of the primary government are depreciated or amortized using the straight line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Buildings and improvements	30
Furniture and Fixtures	5-10
Equipment	5-10
Water distribution system	40
Sewer system	40
Infrastructure	40

#### H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has several items that qualify for reporting in this category. One is the deferred charge on refunding which is reported in the government-wide and proprietary fund statements of net position. 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 debt or the refunding debt.

The other elements that qualify for reporting in this category pertain to the recording of changes in the County's net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. The County reports a deferred outflow of resources for employer contributions made to the pension plan subsequent to the measurement date as these will be recognized as a reduction to the County's net pension liability in the year ended June 30, 2018.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### H. Deferred Outflows/Inflows of Resources (Continued)

The County reports deferred outflows of resources for the net difference between projected and actual earnings on pension investments. This item will be amortized against pension expense over a five year period. The County also reports deferred outflows of resources for experience gains or losses and deferred outflows of resources for assumption changes which are amortized into pension expense over the expected remaining service lives of plan members.

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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. One item arises only under a 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 property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Another item the County reports as a deferred outflow of resources is for experience gains or losses which is amortized into pension expense over the expected remaining service lives of plan members.

#### I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements as these amounts will be paid to employees upon termination or retirement. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

#### J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and any related premiums are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Fund Equity

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

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

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

*Restricted* – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

*Committed* – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action of the County Board of Commissioners by passage of a resolution and the commitment can only be removed by a resolution of the Board.

*Assigned* – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Board of Commissioners has delegated, through resolution, the Finance Director or the County Administrator the authority to assign amounts to be used for specific purposes.

*Unassigned* – Fund balances are reported as unassigned as the residual classification for the County’s general fund and includes all spendable amounts not contained in the other classifications. The County’s policy is to maintain an adequate General Fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster. Through resolution, the Board of Commissioners has adopted a financial standard to maintain a General Fund minimum unassigned fund balance of 25 percent of budgeted expenditures.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Fund Equity (Continued)

**Flow Assumptions** – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

For the year ending June 30, 2017, the County has reported \$5,424,556 of encumbrances as assignments of fund balance in the General Fund.

**Net Position** – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### L. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 these estimates.

#### M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Paulding County, Georgia Retirement Plan (the “Plan”) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. LEGAL COMPLIANCE – BUDGETS

#### A. Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for the general, debt service, and special revenue funds on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end. Project-length budgets are adopted for capital projects funds. Annual budgets for the enterprise funds are adopted for management control purposes.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is used in the governmental funds.

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

1. Prior to June 1, the Chairman submits to the Board of Commissioners a proposed operating budget for each department for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least ten days in advance by publication in the official organ of the County.
3. The budget is then reviewed and adopted or amended by the Board of Commissioners at the first meeting in August of the year to which it applies.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget at the department level greater than \$50,000 must be amended by formal action of the Board of Commissioners in a regular meeting. No increase can be made to increase budgeted expenditures without provision also being made for financing such an increase.
5. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. The legal level of budgetary control is at the department level.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. LEGAL COMPLIANCE – BUDGETS (Continued)

#### B. Deficit Fund Equity

The Solid Waste Fund has deficit fund equity of \$2,124,849 at June 30, 2017. The deficit occurred due to the recognition of the landfill closure and post-closure care liability as described in Note 7. Annually, a contribution is made from the General Fund to reduce this deficit.

#### C. Excess Expenditures Over Appropriations

For the year ended June 30, 2017 expenditures exceeded the budget in the General Fund departments and Drug Confiscation Fund as follows:

General Fund:	
Judicial	
Clerk of superior court	\$ 32,410
Public safety	
General appropriations	35,887
Health and welfare	
General health grant	1,454
Housing and development	
Community development	1,439
Drug Confiscation Fund	8,036

The excess of expenditures over budget that are noted above were primarily funded by greater than anticipated revenues.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. DEPOSITS AND INVESTMENTS

#### A. Primary Government

**Credit risk.** State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As a means of limiting its exposure to credit risk of investments the County limits its investments to those types noted previously and by diversifying its investment portfolio. As a means of limiting its exposure to custodial risk securities are held by an independent third party in the name of the County.

**Custodial credit risk.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and County policy require all deposits to be collateralized 110% by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2017, the County's cash accounts were insured and/or collateralized as defined by GASB Standards.

**Categorization of investments.** At June 30, 2017, the County had the following investments:

<u>Short-term Investments</u>	<u>Maturity</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Fidelity Institutional Treasury MM	35 days weighted average	Aaa-mf	\$ 40,672,748
US Treasury Strips	8.2 months weighted average	AAA	104,294,762
Georgia Fund 1	26 days weighted average	AAAf	86,276,868

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

#### A. Primary Government (Continued)

**Interest rate risk.** As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits the investments with maturities greater than one year to 25%.

**Fair Value Measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of June 30, 2017:

Investment	Level 2	Fair Value
Fidelity Treasury money market Mutual Fund	\$ 40,672,748	\$ 40,672,748
US Treasury Strips	104,294,762	104,294,762
Total investments subject to level disclosure	\$ 144,967,510	\$ 144,967,510
Investments not subject to level disclosure:		
Georgia Fund 1		86,276,868
Total investments measured at fair value		\$ 231,244,378

The Fidelity Treasury Money Market Mutual Fund and US Treasury Strips are classified in Level 2 of the fair value hierarchy is valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose investment in the Georgia Fund 1 within the fair value hierarchy.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

#### B. Discretely Presented Component Unit – Industrial Building Authority

**Fair Value Measurements.** The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 are significant unobservable inputs. The Authority has no investments valued at fair value.

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and City policy require all deposits to be collateralized 110% by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of June 30, 2017, the Authority had deposits at local financial institutions that were uninsured and under-collateralized by \$318,112, as defined by State statutes.

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. RECEIVABLES

#### A. Primary Government

Receivables at June 30, 2017, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	<b>General Fund</b>	<b>Fire Tax Fund</b>	<b>Nonmajor Governmental Funds</b>
Receivables:			
Taxes	\$ 892,123	\$ 406,689	\$ 1,598,519
Other governments	1,208,133	-	850,890
Accounts	515,351	51,847	380,534
Gross receivables	2,615,607	458,536	2,829,943
Less allowance for uncollectibles	(223,942)	(112,188)	(76,080)
Net receivables	\$ 2,391,665	\$ 346,348	\$ 2,753,863

	<b>Water &amp; Sewer Fund</b>	<b>Nonmajor Enterprise Funds</b>
Receivables:		
Taxes	\$ -	\$ -
Other governments	-	-
Accounts	9,263,191	75,322
Gross receivables	9,263,191	75,322
Less allowance for uncollectibles	(1,609,308)	-
Net receivables	\$ 7,653,883	\$ 75,322

Property taxes for the 2017 fiscal year were levied on August 8, 2016, with property values assessed as of January 1, 2016. Bills are payable by the later of November 15, 2016 or sixty days from the date the property tax bills are mailed at which time the applicable property is subject to penalties and interest as assessed. Property taxes attached as an enforceable lien on property as of December 15, 2016.

#### B. Discretely Presented Component Unit – Industrial Building Authority

**Lease Receivable.** On June 21, 2016, the Authority entered into a lease purchase agreement with AFS/Atlanta Film Studio, LLC for film studio assets which qualifies as a sales-type lease. The purchase price under the agreement is \$8,640,000 with monthly rental payments of \$40,000 due over the term of the lease which is July 1, 2016 through June 30, 2034. A security deposit required under the agreement totaled \$240,000. As of June 30, 2017, the outstanding balance is \$8,260,000.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS

#### A. Primary Government

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 57,983,502	\$ 178,283	\$ (1,065,720)	\$ -	\$ 57,096,065
Construction in progress	17,252,954	19,844,519	-	(11,822,854)	25,274,619
Total capital assets, not being depreciated	<u>75,236,456</u>	<u>20,022,802</u>	<u>(1,065,720)</u>	<u>(11,822,854)</u>	<u>82,370,684</u>
Capital assets, being depreciated:					
Buildings and improvements	159,722,240	95,295	-	4,174,693	163,992,228
Equipment	49,554,369	3,599,008	(252,625)	-	52,900,752
Infrastructure	308,969,334	11,297,088	-	7,648,161	327,914,583
Total capital assets, being depreciated	<u>518,245,943</u>	<u>14,991,391</u>	<u>(252,625)</u>	<u>11,822,854</u>	<u>544,807,563</u>
Less accumulated depreciation for:					
Buildings and improvements	41,549,173	4,235,139	-	-	45,784,312
Equipment	37,131,185	2,508,615	(252,625)	-	39,387,175
Infrastructure	81,339,533	7,648,511	-	-	88,988,044
Total accumulated depreciation	<u>160,019,891</u>	<u>14,392,265</u>	<u>(252,625)</u>	<u>-</u>	<u>174,159,531</u>
Total capital assets, being depreciated, net	<u>358,226,052</u>	<u>599,126</u>	<u>-</u>	<u>11,822,854</u>	<u>370,648,032</u>
Governmental activities capital assets, net	<u>\$ 433,462,508</u>	<u>\$ 20,621,928</u>	<u>\$ (1,065,720)</u>	<u>\$ -</u>	<u>\$ 453,018,716</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,782,138	\$ -	\$ -	\$ 3,782,138
Construction in progress	18,214,416	70,872,324	-	89,086,740
Total capital assets, not being depreciated	<u>21,996,554</u>	<u>70,872,324</u>	<u>-</u>	<u>92,868,878</u>
Capital assets, being depreciated:				
Buildings and improvements	5,569,328	-	-	5,569,328
Equipment	6,357,548	165,030	(66,341)	6,456,237
Infrastructure	204,967,721	4,232,937	-	209,200,658
Intangible assets	2,500,000	-	-	2,500,000
Total capital assets, being depreciated	<u>219,394,597</u>	<u>4,397,967</u>	<u>(66,341)</u>	<u>223,726,223</u>
Less accumulated depreciation for:				
Buildings and improvements	2,420,396	156,789	-	2,577,185
Equipment	5,022,783	321,725	(66,341)	5,278,167
Infrastructure	68,125,871	5,377,270	-	73,503,141
Intangible assets	250,000	50,000	-	300,000
Total accumulated depreciation	<u>75,819,050</u>	<u>5,905,784</u>	<u>(66,341)</u>	<u>81,658,493</u>
Total capital assets, being depreciated, net	<u>143,575,547</u>	<u>(1,507,817)</u>	<u>-</u>	<u>142,067,730</u>
Business-type activities capital assets, net	<u>\$ 165,572,101</u>	<u>\$ 69,364,507</u>	<u>\$ -</u>	<u>\$ 234,936,608</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

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

Governmental activities:

General government	\$ 2,459,931
Judicial	33,689
Public safety	2,108,670
Public works	7,908,161
Health and welfare	84,473
Culture and recreation	738,184
Housing and development	1,059,157
Total depreciation expense - governmental activities	<u>\$ 14,392,265</u>

Business-type activities:

Water and Sewer Fund	\$ 5,799,173
Solid Waste Fund	28,749
DFACS Building Fund	77,862
Total depreciation expense - business-type activities	<u>\$ 5,905,784</u>

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### B. Discretely Presented Component Unit – Industrial Building Authority

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Industrial Building Authority:</b>				
Capital assets, not being depreciated:				
Land	\$ 288,554	\$ -	\$ -	\$ 288,554
Total capital assets, not being depreciated	<u>288,554</u>	<u>-</u>	<u>-</u>	<u>288,554</u>
Capital assets, being depreciated:				
Buildings	200,727	-	(200,727)	-
Infrastructure	3,990,933	-	(2,782,926)	1,208,007
Equipment and vehicles	42,892	-	(14,195)	28,697
Total capital assets, being depreciated	<u>4,234,552</u>	<u>-</u>	<u>(2,997,848)</u>	<u>1,236,704</u>
Less accumulated depreciation for:				
Buildings	30,534	2,509	(33,043)	-
Infrastructure	182,727	71,836	(129,820)	124,743
Equipment and vehicles	23,025	3,944	(9,716)	17,253
Total accumulated depreciation	<u>236,286</u>	<u>78,289</u>	<u>(172,579)</u>	<u>141,996</u>
Total capital assets, being depreciated, net	<u>3,998,266</u>	<u>(78,289)</u>	<u>(2,825,269)</u>	<u>1,094,708</u>
Industrial Building Authority capital assets, net	<u>\$ 4,286,820</u>	<u>\$ (78,289)</u>	<u>\$ (2,825,269)</u>	<u>\$ 1,383,262</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### C. Discretely Presented Component Unit – Airport Authority

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Airport Authority:</b>				
Capital assets, not being depreciated:				
Land	\$ 4,848,223	\$ 815,000	\$ -	\$ 5,663,223
Construction in progress	-	952	-	952
Total capital assets, not being depreciated	<u>4,848,223</u>	<u>815,952</u>	<u>-</u>	<u>5,664,175</u>
Capital assets, being depreciated:				
Buildings	-	2,820,790	-	2,820,790
Infrastructure	3,338,309	-	-	3,338,309
Equipment and vehicles	6,436	47,042	-	53,478
Software	1,185	-	-	1,185
Total capital assets, being depreciated	<u>3,345,930</u>	<u>2,867,832</u>	<u>-</u>	<u>6,213,762</u>
Less accumulated depreciation for:				
Buildings	-	17,602	-	17,602
Infrastructure	100,352	83,458	-	183,810
Equipment and vehicles	1,963	783	-	2,746
Software	297	367	-	664
Total accumulated depreciation	<u>102,612</u>	<u>102,210</u>	<u>-</u>	<u>204,822</u>
Total capital assets, being depreciated, net	<u>3,243,318</u>	<u>2,765,622</u>	<u>-</u>	<u>6,008,940</u>
Airport Authority capital assets, net	<u>\$ 8,091,541</u>	<u>\$ 3,581,574</u>	<u>\$ -</u>	<u>\$ 11,673,115</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2017, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
General fund	SPLOST IV fund	\$ 1,083,448
General fund	Fire tax fund	1,302,273
General fund	Water & sewer fund	6,391,242
General fund	Nonmajor governmental funds	282,273
General fund	Nonmajor proprietary funds	2,943
		\$ 9,062,179
Nonmajor governmental funds	General fund	\$ 25,921

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payment between funds are made. Interfund balances are expected to be repaid within one year.

Advances to/from other funds:

Receivable fund	Payable fund	Amount
Nonmajor enterprise funds	General Fund	\$ 928,651

The amounts payable to the Solid Waste Fund relate to the time lag between the date payment between funds are made. This is the amount of collections in the General Fund for Solid Waste for which payment has not been made.

Due to/from component units:

Receivable fund	Payable fund	Amount
Governmental activities	Industrial Building Authority	\$ 3,265,238

The balance between the governmental activities and the Paulding County Industrial Building Authority resulted from the County paying the principal and interest on the Paulding County Industrial Building Authority, Series 2012A Revenue Bonds. The bonds were originally issued to purchase land for an industrial park. The County is expected to be reimbursed by the Industrial Building Authority in the future.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

Interfund transfers for the year ended June 30, 2017, were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Nonmajor enterprise funds	General fund	\$ 200,000
General fund	Nonmajor governmental funds	2,058,806

Transfers are used to move funds from the General Fund to the Solid Waste Fund to adequately meet the expenses of the Solid Waste Fund and from the nonmajor governmental funds to the General Fund for prior year project costs.

### NOTE 7. LONG-TERM DEBT

#### A. Primary Government

The following is a summary of long-term debt activity for the year ended June 30, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable	\$ 70,470,000	\$ -	\$ (4,255,000)	\$ 66,215,000	\$ 4,455,000
Plus: Premiums	48,668	-	(48,668)	-	-
Total bonds payable	70,518,668	-	(4,303,668)	66,215,000	4,455,000
Intergovernmental payable	13,665,000	-	(1,644,695)	12,020,305	1,110,000
Net pension liability	12,257,752	6,011,522	(4,184,719)	14,084,555	-
Compensated absences	4,037,366	3,292,643	(3,339,187)	3,990,822	2,793,575
Governmental activities long-term liabilities	<u>\$ 100,478,786</u>	<u>\$ 9,304,165</u>	<u>\$ (13,472,269)</u>	<u>\$ 96,310,682</u>	<u>\$ 8,358,575</u>
<b>Business-type Activities:</b>					
Bonds payable	\$ 29,180,000	\$ 158,360,000	\$ (14,145,000)	\$ 173,395,000	\$ 3,820,000
Plus: Premiums	1,032,710	9,346,360	(809,712)	9,569,358	-
Total bonds payable	30,212,710	167,706,360	(14,954,712)	182,964,358	3,820,000
Notes payable	16,394,166	43,630,664	(467,953)	59,556,877	285,755
Intergovernmental payable	3,835,000	-	(440,000)	3,395,000	450,000
Landfill closure/ postclosure costs	3,700,322	93,143	-	3,793,465	549,735
Compensated absences	384,094	257,527	(234,814)	406,807	284,765
Business-type activities long-term liabilities	<u>\$ 54,526,292</u>	<u>\$ 211,687,694</u>	<u>\$ (16,097,479)</u>	<u>\$ 250,116,507</u>	<u>\$ 5,390,255</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

For governmental activities, compensated absences and the net pension liability are being liquidated primarily by the General Fund. For business-type activities, compensated absences are liquidated by the Water and Sewer and Solid Waste funds.

The amount of interest expense incurred and capitalized for business-type activities was \$3,595,626 for the year ended June 30, 2017.

**General Obligation Bonds.** During fiscal year 2014, the County issued \$41,030,000 of Series 2013 general obligation bonds. The 2013 bonds were issued to refund \$35,575,000 of the \$58,230,000 in aggregate principal amount of the Series 2007B Bonds maturing February 1, 2018 through 2028. The bonds, which bear interest at a rate of 2.45%, mature February 1, 2028.

During fiscal year 2015, the County issued \$27,775,000 of Series 2015 general obligation bonds. The 2015 bonds were issued to refund \$25,345,000 of the \$30,760,000 in aggregate principal amount of the Series 2007 general obligation bonds maturing August 1, 2017 through 2022 and February 1, 2029 through 2032. The bonds bear interest rates of 1.777% and 2.601%. The refunding resulted in a difference between the reacquisition price and the carrying amount of the old debt of \$1,553,723. This difference is reported in the accompanying financial statements as a deferred outflow of resources, and is being charged to operations through year 2032 using the straight-line method. The current outstanding amount of debt considered legally defeased equals \$25,345,000 as of June 30, 2017.

The County's debt service requirements to maturity on the general obligation bonds are as follows:

<b>Year ending</b>				
<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2018	\$ 4,445,000	\$ 1,590,554	\$ 6,035,554	
2019	4,545,000	1,489,409	6,034,409	
2020	4,655,000	1,385,853	6,040,853	
2021	4,745,000	1,279,982	6,024,982	
2022	4,865,000	1,171,832	6,036,832	
2023-2027	20,520,000	4,337,488	24,857,488	
2028-2032	22,440,000	1,783,478	24,223,478	
Total	<u>\$ 66,215,000</u>	<u>\$ 13,038,596</u>	<u>\$ 79,253,596</u>	

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Intergovernmental payable – Industrial Building Authority.** The County has entered into an intergovernmental agreement with the Industrial Building Authority to pay the Paulding County Industrial Building Authority Revenue Bond Series 2013. The Series 2013 Revenue Bonds were issued in the amount of \$4,590,000. The bonds, which bear interest at a rate of 2.25% are payable on February 1 and August 1 of each year. The Revenue Bonds Series 2013 mature on February 1, 2024.

**Intergovernmental payable – Industrial Building Authority.** The County has also entered into an intergovernmental agreement with the Industrial Building Authority to pay the Paulding County Industrial Building Authority Revenue Bond Series 2011 A&B issued to construct the Airport Technology Park Water Tank, Fire Protection, a Hangar and a Film Studio. The Series 2011A and Series 2011B Revenue Bonds were issued in the amount of \$1,100,000 and \$6,800,000, respectively. The Series 2011A and Series 2011B bonds, which bear interest at rates from 2.0% to 4.8% and 1.6% to 6.1%, respectively, are payable on August 1 and February 1 of each year. The Revenue Bonds Series 2011A and Series 2011B mature on August 1, 2031.

Paulding County, Georgia and the Paulding County Industrial Building Authority have entered into an Intergovernmental Contract Dated May 1, 2011, whereby the County is obligated to make payments to the Paulding County Industrial Building Authority sufficient in time and amount to enable the Paulding County Industrial Building Authority to pay the principal and interest on the 2011A and 2011B Revenue Bonds as they mature.

**Intergovernmental payable – Airport Authority.** The County has also entered into an intergovernmental agreement with the Airport Authority to pay the Paulding Northwest Atlanta Airport Project, Series 2014 in the amount of \$3,600,000, to fund the cost of acquiring, constructing, extending and improving the landing field at the Paulding Northwest Atlanta Airport. The Series 2014 Revenue Bonds were issued in the amount of \$3,600,000. The Series 2014 bonds, which bear interest at a rate of 2.35%, are payable on August 1 and February 1 of each year. The Revenue Bonds Series 2014 bonds mature on February 1, 2023.

Paulding County, Georgia and the Paulding County Airport Authority have entered into an Intergovernmental Contract Dated July 1, 2014, whereby the County is obligated to make payments to the Paulding County Airport Authority sufficient in time and amount to enable the Paulding County Airport Authority to pay the principal and interest on the Bonds as they mature.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The County's debt service requirements to maturity on the intergovernmental payable are as follows:

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,110,000	\$ 458,901	\$ 1,568,901
2019	1,135,000	431,822	1,566,822
2020	1,170,000	400,721	1,570,721
2021	1,205,000	367,419	1,572,419
2022	1,235,000	332,254	1,567,254
2023-2027	3,360,305	1,159,717	4,520,022
2028-2032	<u>2,805,000</u>	<u>434,508</u>	<u>3,239,508</u>
Total	<u>\$ 12,020,305</u>	<u>\$ 3,585,342</u>	<u>\$ 12,366,139</u>

**Revenue Bonds.** Series 2009 Water and Sewer Revenue Bonds – In February 2009, the County Water and Sewer Fund issued \$15,740,000 in revenue bonds to provide financing for water and sewer infrastructure. The County's obligations are payable solely from the net revenues of the Water and Sewer System. The bonds bear interest at rates from 2.0% to 5.0%, and will mature December 1, 2022.

Series 2009A Water and Sewer Revenue Bonds – In November 2009, the County Water and Sewer Fund issued \$17,755,000 in revenue bonds to refund the 1999 Water and Sewer Revenue Bonds. The County's obligations are payable solely from the net revenues of the Water and Sewer System. The bonds bear interest at rates from 2.0% to 5.0%, and will mature December 1, 2021.

Series 2012 Water and Sewer Revenue Bonds – In April 2012, the County Water and Sewer Fund issued \$7,445,000 in revenue bonds to partially refund the 2004 Water and Sewer Revenue Bonds. The County's obligations are payable solely from the net revenues of the Water and Sewer System. The bonds bear interest at rates from 2.0% to 4.0%, and will mature December 1, 2021.

Series 2016 Water and Sewer Revenue Improvement and Refunding Bonds – In September 2016, the County Water and Sewer Fund issued \$158,360,000 in revenue bonds to partially refund the 2009 and 2009A Water and Sewer Revenue Bonds and to provide financing for system improvements and a new reservoir. The County has determined the refunding will reduce the debt service payments by \$931,715 on an aggregate basis and a net present savings of \$860,126. The County's obligations are payable solely from the net revenues of the Water and Sewer System. The bonds bear interest at rates from 2.5% to 5.0%, and will mature December 1, 2048. The current outstanding amount of the 2009 and 2009A bonds considered legally defeased is \$10,475,000 as of June 30, 2017.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The County has pledged 100% of future water customer revenues, net of specified operating expenses, to repay the water system revenue bonds noted above.

The County's debt service requirements to maturity on the revenue bonds are as follows:

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 3,820,000	\$ 5,859,734	\$ 9,679,734
2019	3,940,000	5,730,548	9,670,548
2020	3,980,000	5,566,950	9,546,950
2021	2,935,000	5,405,525	8,340,525
2022	3,135,000	5,266,200	8,401,200
2023-2027	18,625,000	23,777,000	42,402,000
2028-2032	23,165,000	19,643,625	42,808,625
2033-2037	27,725,000	15,068,125	42,793,125
2038-2042	32,195,000	10,552,875	42,747,875
2043-2047	37,330,000	5,347,950	42,677,950
2048-2049	16,545,000	500,025	17,045,025
Total	<u>\$ 173,395,000</u>	<u>\$ 102,718,557</u>	<u>\$ 88,040,957</u>

**Notes Payable.** In January 2010, the County entered into an agreement with the Georgia Environmental Finance Authority to finance the construction of water reuse lines. The agreement was originally executed for \$660,000, with an interest rate of 3.0%. The agreement is paid each month beginning September 1, 2011 through August 1, 2031.

In fiscal year 2013, the County entered into an agreement with the Georgia Environmental Finance Authority to finance the engineering and mitigation cost of the Reservoir project. The agreement was originally executed for \$2,860,000, with an interest rate of 3.13%. The agreement is paid each month beginning September 1, 2015 through August 1, 2025.

Also in fiscal year 2013, the County entered into an agreement with the Georgia Environmental Finance Authority to finance the construction costs of the Reservoir project. As of June 30, 2017, the loan has a balance of \$29,100,000. The loan bears an interest rate of zero percent for three years following the first draw under the loan agreement. After this period and during the construction phase interest is being paid monthly at 1.0% of the outstanding amount. Following the construction phase this note will become permanent with an interest rate of 1.82% and payable over a forty year period beginning October 1, 2021 and maturing September 1, 2061.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

In fiscal year 2017, the County entered into an agreement with the Georgia Environmental Finance Authority to finance the construction costs of the Reservoir project. As of June 30, 2017, the loan has a balance of \$6,000,000. During the construction phase, this note shall bear no interest. Following the construction phase this note will become permanent with an interest rate of 2.03% and payable over a forty year period beginning October 1, 2021.

Also, in fiscal year 2017, the County entered into an agreement with the Georgia Environmental Finance Authority to finance the construction costs of the Reservoir project. As of June 30, 2017, the loan has a balance of \$21,600,000 and is still in the draw down phase, therefore, a future payment schedule has not been established. The loan bears an interest rate of zero percent for three years following the first draw under the loan agreement. After this period and during the construction phase interest is being paid monthly at 1.0% of the outstanding amount. Following the construction phase this note will become permanent with an interest rate of 1.40% and payable over a thirty year period.

Also, in fiscal year 2017, the County entered into an agreement with the Georgia Environmental Finance Authority to finance the construction costs of the Reservoir project in the amount of \$8,206,250. As of June 30, 2017, the loan has had no drawdowns, therefore, no liability has been recorded and a future payment schedule has not been established. During the construction phase, this note shall bear no interest. Following the construction phase this note will become permanent with an interest rate of 2.03% and payable over a forty year period beginning October 1, 2021.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The debt service requirements to maturity are as follows:

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 285,755	\$ 84,703	\$ 370,458
2019	294,790	75,668	370,458
2020	304,110	66,348	370,458
2021	313,726	56,733	370,459
2022	770,732	532,622	1,303,354
2023-2027	4,307,803	3,165,145	7,472,948
2028-2032	3,621,995	2,780,326	6,402,321
2033-2037	3,785,227	2,434,076	6,219,303
2038-2042	4,152,905	2,066,398	6,219,303
2043-2047	4,556,367	1,662,936	6,219,303
2048-2052	4,999,105	1,220,198	6,219,303
2053-2057	5,484,949	734,354	6,219,303
2058-2062	5,079,413	206,993	5,286,406
Total	<u>\$ 37,956,877</u>	<u>\$ 15,086,500</u>	<u>\$ 53,043,377</u>

**Intergovernmental payable – Industrial Building Authority.** The County has entered into an intergovernmental agreement with the Industrial Building Authority to pay the Paulding County Industrial Building Authority Revenue Bond Series 2003 B&C issued to construct a sewer treatment plant which was refunded by the Series 2012B Bonds. The Series 2012B Revenue Bonds were issued in the amount of \$5,090,000. The bonds, which bear interest at rates from 1.0% to 3.0% are payable on June 1 and December 1 of each year. The Revenue Bonds Series 2012B mature on December 1, 2023.

The County's debt service requirements to maturity on the intergovernmental payable are as follows:

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 450,000	\$ 83,200	\$ 533,200
2019	450,000	71,950	521,950
2020	475,000	58,075	533,075
2021	490,000	43,600	533,600
2022	500,000	28,750	528,750
2023-2024	1,030,000	21,675	1,051,675
Total	<u>\$ 3,395,000</u>	<u>\$ 307,250</u>	<u>\$ 3,702,250</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Landfill post-closure costs.** State and federal laws and regulations require the County to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Governmental accounting standards require the County to estimate and accrue for future costs associated with the closure and post-closure care of the landfill. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill capacity used during the year. The recorded liability for landfill closure and post-closure care costs at year end totaled \$3,793,465. This amount is based on the total estimated cost of closure and post-closure costs multiplied by management's estimate of the percentage of landfill capacity used at year end (95%). The estimated total current cost of the landfill closure and post-closure care (approximately \$4,001,545) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2017. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The County plans to cap a portion of the landfill in the subsequent fiscal year. As of June 30, 2017 it is estimated that the remaining life of the landfill is three years.

**Non-exchange financial guarantee.** In May 2012, Paulding County, Georgia guaranteed the 30-year, \$31,250,000 Revenue Anticipation Certificates, Series 2012A issuance of the Paulding County Hospital Authority, a legally separate entity located within Paulding County, Georgia, in accordance with the provisions of Article IX, Section III, Paragraph I (a) and (c) of the Constitution of the State of Georgia, and by the Hospital Authorities Act. The bonds mature annually through April 1, 2042, with semiannual interest payments. In the event that the Paulding County Hospital Authority is unable to make a payment, Paulding County, Georgia will be required to make that payment. The County does not currently anticipate making the debt service payments.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### B. Discretely Presented Component Unit – Industrial Building Authority

The following is a summary of long-term debt activity for the year ended June 30, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable	\$ 16,230,000	\$ -	\$ (1,390,000)	\$ 14,840,000	\$ 1,415,000
Plus: Premiums	132,756	-	(30,617)	102,139	-
Less: Discounts	(11,200)	-	1,524	(9,676)	-
Total bonds payable	<u>\$ 16,351,556</u>	<u>\$ -</u>	<u>\$ (1,419,093)</u>	<u>\$ 14,932,463</u>	<u>\$ 1,415,000</u>

**Revenue Bonds.** On May 1, 2011 the Authority issued \$7,900,000 of Revenue Bonds. The Bonds were issued in two separate series for various purposes. The Series 2011A Revenue Tax exempt Bonds in the amount of \$1,100,000 were issued for the purpose of construction of the Airport and Airport Technology Park Water Tank and Fire Protection. The Series 2011B Taxable Revenue Bonds in the amount of \$6,800,000 were issued for the purpose of construction of a Hangar with an approximate cost of \$1,200,000 and the construction of a Film Studio with an approximate cost of \$5,000,000 with remaining \$600,000 to cover the cost of issuing the Bonds and to capitalized interest cost during the construction period. The Series 2011A bond will be serviced through an annual payment from the Authority, commencing on August 1, 2013 of \$40,000 to \$80,000 through August 1, 2031 at an interest rate of 2.0% to 4.75%. As of June 30, 2017, the outstanding principal amount is \$925,000. The Series 2011B bond will be serviced through an annual payment from the Authority, commencing on August 1, 2027 of \$255,000 to \$545,000 through August 1, 2031 at an interest rate of 1.57% to 5.47%. As of June 30, 2017, the outstanding principal amount is \$5,760,000.

Paulding County, Georgia and the Authority have entered into an Intergovernmental Contract Dated May 1, 2011, whereby the County is obligated to make payments to the Authority sufficient in time and amount to enable the Authority to pay the principal and interest on the 2011A and 2011B Revenue Bonds as they mature.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### B. Discretely Presented Component Unit – Industrial Building Authority (Continued)

On October 25, 2012 the Authority issued \$7,315,000 in Revenue Bonds for the purpose of retiring the 2003 Revenue Bonds. The Bonds were issued in two separate series for various purposes. The Series 2012A Taxable Revenue Bonds in the amount of \$2,225,000 were issued to pay off the Series 2003A Taxable Revenue Bonds. The Series 2012B Tax-Exempt Revenue Bonds in the amount of \$5,090,000 were issued to pay off the Series 2003B and 2003C Tax-Exempt Revenue bonds. The Series 2012A bond will be serviced through an annual payment from the Authority, commencing on December 1, 2013 of \$180,000 to \$220,000 through December 1, 2023 at an interest rate of 1.0% to 3.0%. As of June 30, 2017, the outstanding principal amount is \$1,445,000. The Series 2012B bond will be serviced through an annual payment from the Authority, commencing on December 1, 2013 of \$405,000 to \$520,000 through December 1, 2023 at an interest rate of 2.0% to 3.0%. As of June 30, 2017, the outstanding principal amount is \$3,395,000.

Paulding County, Georgia and the Authority have entered into an Intergovernmental Contract dated October 25, 2012, whereby the County is obligated to make payments to the Authority sufficient in time and amount to enable the Authority to pay the principal and interest on the 2012B Revenue Bonds as they mature.

The Series 2013 bonds were issued to provide funds to finance the cost of certain road projects of the County. Paulding County, Georgia and the Authority have entered into an Intergovernmental Contract Dated October 1, 2013, whereby the County is obligated to make payments to the Authority sufficient in time and amount to enable the Authority to pay the principal and interest on the Bonds as they mature. The Series 2013 bonds will be serviced through an annual payment from the Authority, commencing on February 1, 2015 of \$415,000 to \$505,000 through February 1, 2024 at an interest rate of 2.25%. As of June 30, 2017, the outstanding principal amount is \$3,315,000.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### B. Discretely Presented Component Unit – Industrial Building Authority (Continued)

The Industrial Building Authority's debt service requirements to maturity on the revenue bonds are as follows:

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,415,000	\$ 524,282	\$ 1,939,282
2019	1,435,000	488,756	1,923,756
2020	1,485,000	448,197	1,933,197
2021	1,530,000	404,456	1,934,456
2022	1,570,000	357,982	1,927,982
2023-2027	4,600,000	1,182,111	5,782,111
2028-2032	2,805,000	434,508	3,239,508
Total	<u>\$ 14,840,000</u>	<u>\$ 3,840,292</u>	<u>\$ 18,680,292</u>

#### C. Discretely Presented Component Unit – Airport Authority

The following is a summary of long-term debt activity for the year ended June 30, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable	\$ 2,915,000	\$ -	\$ (894,695)	\$ 2,020,305	\$ 345,000
Notes payable	-	110,033	(4,418)	105,615	14,508
Due to Silver Comet Terminal Partnership	360,000	-	-	360,000	-
Intergovernmental payable - Paulding County Industrial Building Authority	790,355	1,200,000	(815,355)	1,175,000	60,000
Total bonds payable	<u>\$ 2,915,000</u>	<u>\$ 110,033</u>	<u>\$ (899,113)</u>	<u>\$ 2,125,920</u>	<u>\$ 359,508</u>

**Revenue Bonds.** On July 30, 2014 Paulding County Airport Authority issued Paulding Northwest Atlanta Airport Project, Series 2014 Revenue Bonds in the amount of \$3,600,000, to fund the cost of acquiring, constructing, extending and improving the landing field at the Paulding Northwest Atlanta Airport.

Paulding County, Georgia and the Authority have entered into an Intergovernmental Contract Dated July 1, 2014, whereby the County is obligated to make payments to the Authority sufficient in time and amount to enable the Authority to pay the principal and interest on the Bonds as they mature.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### C. Discretely Presented Component Unit – Airport Authority (Continued)

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

Year ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 345,000	\$ 60,603	\$ 405,603
2019	350,000	52,523	402,523
2020	360,000	44,298	404,298
2021	370,000	35,838	405,838
2022	375,000	18,337	393,337
2023	220,305	12,173	232,478
Total	<u>\$ 2,020,305</u>	<u>\$ 223,772</u>	<u>\$ 2,244,077</u>

**Due to Silver Comet Terminal Partnership.** On October 7, 2013, the Authority entered into an agreement with Silver Comet Terminal Partners, LLC (the "Company"), whereby the Company will pay the Authority annual amounts equal to the bonded indebtedness for the Paulding County Airport Authority issued Paulding Northwest Atlanta Airport Project, Series 2014 Revenue Bonds. To the extent the Authority receives any reimbursement from a grant for the costs associated with the project funded by the debt issuance, the Authority will repay the Company any amounts associated with the principal portion of the payments made by the Company under the agreement, reduce the remaining principal outstanding, and repay the interest paid by the Company. If the grant reimbursement is insufficient to repay interest paid to date, the Authority will not be responsible for repaying the interest portion of the payments made by the Company. The Authority anticipates a reimbursement from a grant for the project costs but does not expect this reimbursement to occur within the next fiscal year. The total debt service requirements on the bonds is \$4,035,220 (Principal: \$3,600,000, Interest: \$435,220). A liability of \$360,000 to the Company for the principal payment made during fiscal year ending June 30, 2015 has been reflected in the accompanying financial statements. During the fiscal year ending June 30, 2016, the Company ceased making payments to the Authority to cover the debt service requirements. The County has entered into an intergovernmental contract with the Paulding County Airport Authority to pay the remaining Series 2014 Revenue bond payments.

**Notes payable.** During fiscal year 2017, Paulding County Airport Authority entered into a note payable with Prime Contractors in the amount of \$100,000. This note payable is payable in equal monthly installments of \$1,000 for 100 months with no interest due.

During the fiscal year 2017, Paulding County Airport Authority also entered into a note payable with John Deere in the amount of \$10,033. This note payable is payable in equal monthly installments of \$209 for 48 months with no interest due.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### C. Discretely Presented Component Unit – Airport Authority (Continued)

**Intergovernmental payable – Industrial Building Authority.** Pursuant to an agreement dated December 30, 2016 between the Paulding County Industrial Building Authority and the Paulding County Airport Authority, the Paulding County Industrial Building Authority has issued a no-interest loan to the Paulding County Airport Authority in the amount of \$1,200,000 to provide financing for various capital improvements and miscellaneous expenses. Payments in the amount of \$5,000 are due monthly beginning February 10, 2017 and maturing January 10, 2037. The remaining balance on this loan as of June 30, 2017 was \$1,175,000.

### NOTE 8. DEFINED BENEFIT PLAN

#### A. Primary Government

##### Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Paulding County Defined Benefit Plan (the “Plan”), covering substantially all of the County’s employees. The County’s pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Plan benefits are provided for Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. Plan benefits are provided for Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the 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 Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at [www.gebcorp.com](http://www.gebcorp.com) or by writing to the Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

Plan membership. As of January 1, 2016, pension plan membership consisted of the following:

Retirees, Beneficiaries and Disables receiving benefits	166
Terminated plan participants entitled to but not yet receiving benefits	357
Active employees participating in the Plan	<u>566</u>
Total number of Plan participants	<u><u>1,089</u></u>

**Contributions.** The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by plan participants. For the year ended June 30, 2016, the County's contribution rate was 9.4% of annual payroll. County contributions to the Plan were \$2,287,071 for the year ended June 30, 2017.

#### Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2016 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2016.

Actuarial assumptions. The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.5% - 5.5%, including inflation
Investment rate of return	7.50 %, net of pension plan investment expense, including inflation

Mortality rates for were based on the RP-2000 Combined Healthy Mortality Table with Scale AA projection to year 2016.

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for through December 31, 2015.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

##### Net Pension Liability of the County (Continued)

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30%	6.78%
Large Cap equity	30%	9.77
International equity	15%	7.48
Other equity	20%	9.23
Real estate	5%	10.63
Total	100%	

\* Rates shown are net of the 3.00% assumed rate of inflation

**Discount rate.** The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability. As of December 31, 2016 the expected long-term rate of return was revised to 7.25%

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

**Changes in the Net Pension Liability of the County.** The changes in the components of the net pension liability of the County for the year ended June 30, 2017, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 6/30/16</b>	\$ 42,422,101	\$ 30,164,349	\$ 12,257,752
<b>Changes for the year:</b>			
Service cost	939,349	-	939,349
Interest	3,257,612	-	3,257,612
Differences between expected and actual differences	(96,338)	-	(96,338)
Assumption changes	1,709,675	-	1,709,675
Contributions—employer	-	1,879,341	(1,879,341)
Net investment income	-	2,209,040	(2,209,040)
Benefit payments, including refunds of employee contributions	(1,417,535)	(1,417,535)	-
Administrative expense	-	(104,886)	104,886
Other changes	-	-	-
<b>Net changes</b>	<u>4,392,763</u>	<u>2,565,960</u>	<u>1,826,803</u>
<b>Balances at 6/30/17</b>	<u>\$ 46,814,864</u>	<u>\$ 32,730,309</u>	<u>\$ 14,084,555</u>

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.25 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
County's net pension liability	\$ 21,882,598	\$ 14,084,555	\$ 7,738,894

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2016 and the current sharing pattern of costs between employer and employee.

#### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2017, the County recognized pension expense of \$3,173,672. At June 30, 2017, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Plan contributions made subsequent to the measurement period	\$ 1,113,208	-
Differences between expected and actual experience	899,972	81,517
Assumption changes	2,586,626	-
Net difference between projected and actual earnings on pension plan investments	1,605,910	-
Total	\$ 6,205,716	\$ 81,517

County contributions subsequent to the measurement date of \$1,113,208 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2018		\$ 1,217,949
2019		1,217,949
2020		1,162,178
2021		700,610
2022		588,204
2023		124,101
Total		\$ 5,010,991

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9. DEFINED CONTRIBUTION PLAN

The County adopted the Paulding County Supplemental Retirement Plan on June 1, 2004. This plan is administered by AIG VALIC. The 401 (a) is a defined contribution plan that covers substantially all employees.

The County will match any contribution made by an employee to the deferred compensation plan on a 1 to 1 basis up to a maximum contribution by the County of 1% of employee's annual salary. Contributions are calculated and made on a biweekly payroll basis. The Board of Commissioners establishes required contribution and matching percentages.

Employees become eligible for the plan on the date of hire provided they are full-time and work a minimum of 30 hours per week. Actual participation in the plan begins with the first payroll following their date of hire. Participants are fully vested in the plan after five years of service. The plan was established by resolution of the Board of Commissioners. It may also be amended by resolution of same.

The County has made the following contributions to the plan:

<b>Year ending <u>June 30,</u></b>	<b><u>County Contributions</u></b>	<b><u>Employee Contributions</u></b>	<b><u>Total Contributions</u></b>
2016	\$ 363,994	\$ 923,470	\$ 1,287,464
2017	397,009	999,647	1,396,656

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents.

The County participates in the Association of County Commissioners of Georgia (ACCG) Workers' Compensation Self Insurance Fund and the Interlocal Risk Management Agency (IRMA), a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of the risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's 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 which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

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 workers' compensation law of Georgia. The funds are to pay all costs taxed 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 have not exceeded insurance coverage in any of the last three years. There have been no significant reductions of insurance coverage from the prior year.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11. COMMITMENTS AND CONTINGENCIES

#### Contractual Commitments

In addition to the liabilities enumerated in the balance sheet, at June 30, 2017, the County has contractual commitments on uncompleted contracts of approximately \$28,158,422 consisting of Recreation contracts, \$9,285,188, Water Reservoir contracts, \$98,425,691 and Department of Transportation contracts, \$12,101,619.

#### Litigation

The County is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions arising in the course of County operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

#### Grant Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

### NOTE 12. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Northwest Georgia Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2017, the County paid \$135,576 in such dues. Membership in the Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Commission in Georgia.

The Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the Commission. Separate financial statements may be obtained from:

Northwest Georgia Regional Commission  
P.O. Box 1798  
Rome, GA 30162-1798

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 13. RESTATEMENT

#### Discretely Presented Component Unit – Industrial Building Authority

The Authority has determined that the accounting treatment related to a deferred gain on the sale of capital assets that are being purchased under an installment contract, entered into in a prior year, should have been reported as a gain when the real estate was sold rather than over the period of payments under the installment contract. The Authority believes that this reporting treatment is more appropriate based on the circumstances of the transaction. This change results in a restatement of beginning net position for the Authority as follows:

Net position, as previously reported	\$ 9,591,106
To recognize the gain in the proper period	<u>3,489,931</u>
Net position, as restated	<u><u>\$ 13,081,037</u></u>

### NOTE 14. SUBSEQUENT EVENT

In October 2017, Paulding County issued General Obligation Bonds, Series 2017 in the amount of \$67,385,000. Proceeds from the bonds will be used to acquire, construct, equip and furnish a replacement Paulding County Sheriff's Office detention center and other related facilities located in the County. The bonds will be payable from the general funds of the County and are an absolute and unconditional contractual obligation of the County, and the County will pledge its full faith and credit and taxing power. The bonds bear interest at rates from 3.0% to 5.0%, and will mature February 1, 2048.

In December 2016, Paulding County transferred a total of 163.84 acres to Paulding County Airport Authority with a net book value of \$815,000. Subsequent to the fiscal year ended June 30, 2017, Paulding County and the Paulding County Airport Authority entered into an agreement, approved by the Federal Aviation Administration, whereby the Paulding County Airport Authority would transfer back to Paulding County approximately 123 acres of the original 163.84 acres. Additionally, the Paulding County Airport Authority will transfer to the County approximately 40 acres of property in the general vicinity of the General Aviation Terminal Area Expansion project.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**PAULDING COUNTY, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 51,736,200	\$ 52,656,200	\$ 52,791,901	\$ 135,701
Licenses and permits	848,000	848,000	1,029,939	181,939
Intergovernmental	316,300	1,000,000	3,200,641	2,200,641
Fines and forfeitures	1,010,000	1,010,000	1,180,026	170,026
Charges for services	5,541,500	6,415,147	6,988,270	573,123
Interest income	15,000	100,000	177,341	77,341
Contributions and donations	-	-	170,695	170,695
Miscellaneous	134,000	109,000	576,127	467,127
Total revenues	<u>59,601,000</u>	<u>62,138,347</u>	<u>66,114,940</u>	<u>3,976,593</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government:				
Legislative	616,000	695,000	693,513	1,487
Public information	120,600	120,600	112,294	8,306
Elections	627,500	627,500	556,376	71,124
Finance	538,900	538,900	528,052	10,848
Information technology	1,546,350	1,546,350	1,275,854	270,496
Human resources	402,900	402,900	389,381	13,519
Government facilities	1,408,100	1,408,100	1,276,561	131,539
Tax assessors	1,433,400	1,433,400	1,412,321	21,079
Tax commissioners	1,168,500	1,168,500	1,133,367	35,133
General appropriations	5,375,550	5,140,550	3,982,660	1,157,890
Total general government	<u>13,237,800</u>	<u>13,081,800</u>	<u>11,360,379</u>	<u>1,721,421</u>
Judicial:				
Superior court	904,400	904,400	746,550	157,850
Clerk superior court	1,096,900	1,096,900	1,129,310	(32,410)
Probate court	798,800	798,800	792,921	5,879
Magistrate court	455,000	455,000	420,761	34,239
District attorney	1,448,800	1,448,800	1,306,013	142,787
Juvenile court	566,350	566,350	511,009	55,341
Public defender	793,650	793,650	739,079	54,571
Total judicial	<u>6,063,900</u>	<u>6,063,900</u>	<u>5,645,643</u>	<u>418,257</u>
Public safety:				
Coroner	97,800	97,800	91,088	6,712
Sheriff	14,637,200	14,637,200	14,441,538	195,662
Jail	6,295,100	6,295,100	6,064,782	230,318
Marshal	935,200	935,200	769,128	166,072
Animal control	716,700	716,700	687,135	29,565
General appropriations	26,000	26,000	61,887	(35,887)
Total public safety	<u>22,708,000</u>	<u>22,708,000</u>	<u>22,115,558</u>	<u>592,442</u>
Public works:				
Roads and bridges	11,447,847	11,447,847	10,707,388	740,459
Utility coordinator	1,000,000	1,000,000	954,770	45,230
Maintenance shop	663,200	663,200	616,763	46,437
Recycling	146,550	156,000	155,912	88
Total public works	<u>13,257,597</u>	<u>13,267,047</u>	<u>12,434,833</u>	<u>832,214</u>

(Continued)

**PAULDING COUNTY, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures: (Continued)</b>				
<b>Current: (Continued)</b>				
Health and welfare:				
Mental health grant	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
General health grant	326,000	326,000	327,454	(1,454)
General welfare grant	25,000	25,000	16,389	8,611
Senior citizens center	293,750	293,750	261,653	32,097
Senior citizens van	117,500	117,500	74,990	42,510
Bus service	214,900	238,000	236,880	1,120
General appropriations	88,000	88,000	65,581	22,419
Total health and welfare	<u>1,115,150</u>	<u>1,138,250</u>	<u>1,032,947</u>	<u>105,303</u>
Culture and recreation:				
Library	998,600	1,166,600	1,165,557	1,043
Recreation	2,185,650	2,390,000	2,389,471	529
General appropriations	9,000	9,000	7,837	1,163
Total culture and recreation	<u>3,193,250</u>	<u>3,565,600</u>	<u>3,562,865</u>	<u>2,735</u>
Housing and development:				
County extension service	71,250	71,250	59,190	12,060
Community development	1,292,800	1,322,500	1,323,939	(1,439)
General appropriations	490,000	725,000	724,191	809
Total housing and development	<u>1,854,050</u>	<u>2,118,750</u>	<u>2,107,320</u>	<u>11,430</u>
Total expenditures	<u>61,429,747</u>	<u>61,943,347</u>	<u>58,259,545</u>	<u>3,683,802</u>
Excess (deficiency) of revenues over expenditures	<u>(1,828,747)</u>	<u>195,000</u>	<u>7,855,395</u>	<u>7,660,395</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	5,000	5,000	2,021,087	2,016,087
Transfers in	-	-	2,058,806	2,058,806
Transfers out	(200,000)	(2,200,000)	(200,000)	2,000,000
Total other financing sources (uses)	<u>(195,000)</u>	<u>(2,195,000)</u>	<u>3,879,893</u>	<u>6,074,893</u>
Net change in fund balances	(2,023,747)	(2,000,000)	11,735,288	13,735,288
<b>Fund balances, beginning of year</b>	<u>48,159,020</u>	<u>48,159,020</u>	<u>48,159,020</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 46,135,273</u>	<u>\$ 46,159,020</u>	<u>\$ 59,894,308</u>	<u>\$ 13,735,288</u>

**PAULDING COUNTY, GEORGIA  
FIRE TAX FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 11,951,000	\$ 12,237,000	\$ 12,372,094	\$ 135,094
Licenses and permits	5,000	5,000	5,425	425
Intergovernmental revenue	-	50,000	109,868	59,868
Investment income	10,000	10,000	49,990	39,990
<b>Total revenues</b>	<u>11,966,000</u>	<u>12,302,000</u>	<u>12,537,377</u>	<u>235,377</u>
<b>Expenditures:</b>				
Current:				
Public safety	10,650,000	10,800,000	10,767,384	32,616
<b>Total expenditures</b>	<u>10,650,000</u>	<u>10,800,000</u>	<u>10,767,384</u>	<u>32,616</u>
Net changes in fund balances	1,316,000	1,502,000	1,769,993	267,993
<b>Fund balances, beginning of year</b>	<u>7,612,245</u>	<u>7,612,245</u>	<u>7,612,245</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 8,928,245</u>	<u>\$ 9,114,245</u>	<u>\$ 9,382,238</u>	<u>\$ 267,993</u>

**PAULDING COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY**  
**AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30,**

	2015	2016	2017
<b>Total pension liability</b>			
Service cost	\$ 935,935	\$ 912,802	\$ 939,349
Interest on total pension liability	2,565,038	2,854,196	3,257,612
Assumption change	-	1,614,968	1,709,675
Benefit payments, including refunds of employee contributions	(1,152,809)	(1,359,894)	(1,417,535)
Experience (Gain)/Loss	-	1,274,958	(96,338)
<b>Net change in total pension liability</b>	<u>2,348,164</u>	<u>5,297,030</u>	<u>4,392,763</u>
<b>Total pension liability - beginning</b>	<u>34,776,907</u>	<u>37,125,071</u>	<u>42,422,101</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 37,125,071</u>	<u>\$ 42,422,101</u>	<u>\$ 46,814,864</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	1,198,002	1,152,078	1,879,341
Net investment income	1,897,270	65,189	2,209,040
Benefit payments, including refunds of employee contributions	(1,152,809)	(1,359,894)	(1,417,535)
Administrative expenses	(99,561)	(104,931)	(104,886)
Other	(2,493)	(54,592)	-
<b>Net change in plan fiduciary net position</b>	<u>1,840,409</u>	<u>(302,150)</u>	<u>2,565,960</u>
<b>Plan fiduciary net position - beginning</b>	<u>28,626,090</u>	<u>30,466,499</u>	<u>30,164,349</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 30,466,499</u>	<u>\$ 30,164,349</u>	<u>\$ 32,730,309</u>
<b>County's net pension liability - ending (a) - (b)</b>	<u>\$ 6,658,572</u>	<u>\$ 12,257,752</u>	<u>\$ 14,084,555</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	82.1%	71.1%	69.9%
<b>Covered-employee payroll</b>	\$ 24,261,213	\$ 24,283,073	\$ 24,248,412
<b>County's net pension liability as a percentage of covered employee payroll</b>	27.4%	50.5%	58.1%

**Notes to the Schedule**

Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**PAULDING COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF COUNTY CONTRIBUTIONS**  
**FOR THE YEAR ENDED JUNE 30,**

	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,173,863	\$ 1,152,078	\$ 1,198,002	\$ 1,505,262
Contributions in relation to the actuarially determined contribution	<u>2,287,071</u>	<u>2,142,433</u>	<u>2,086,988</u>	<u>2,271,702</u>
Contribution deficiency (excess)	<u>\$ (1,113,208)</u>	<u>\$ (990,355)</u>	<u>\$ (888,986)</u>	<u>\$ (766,440)</u>
Covered-employee payroll	24,265,743	24,272,143	24,058,931	23,562,608
Contributions as a percentage of Covered-employee payroll	9.4%	8.8%	8.7%	9.6%

**Notes to the Schedule**

Valuation Date	January 1, 2016
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed
Assumed Rate of Return	
On Investments	7.50%
Projected Salary Increases	3.50% - 5.50% (including 2.50% for inflation)
Cost-of-living Adjustment	2.50%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

# NONMAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds

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

**Victims-Witness Assistance Fund** - to account for five percent additional fee placed on fines and used for victim witness services.

**Emergency 911 Fund** - to account for the fee collection and the operation of the Emergency 911 system within the County.

**Jail Fund** - to account for a portion of fine money received from the court system and expended on outside services within the juvenile court system.

**Supplemental Juvenile Fund** - to account for a portion of fines within the juvenile court and expended on outside services within the juvenile court system.

**Drug Use Treatment Fund** - to account for a portion of fine money received from the court system and expended on drug treatment or education.

**Clerk's Technology Fund** - to account for money received from the state. This fee is assessed every time a deed is purchased on-line. This money is expended on technology in the clerk of superior court's office.

**Law Library Fund** - to account for the operation and maintenance of the County's law library.

**Sheriff Commissary Fund** - to account for the receipts and purchases inmates incur while they are incarcerated.

**Drug Confiscation Fund** - to account for the resources public safety officers confiscate during a drug charge and expended in the fight against drugs.

## Capital Projects Funds

**SPLOST III Fund** - to account for financial resources which are used exclusively for roads, public safety, and recreation.

**SPLOST V Fund** - to account for financial resources which are used exclusively for roads, public safety, recreation, and other projects per the terms of the SPLOST agreement.

**Capital Projects Fund** - accounts for the acquisition of capital assets for construction of major capital projects not being financed by proprietary funds or SPLOST funds.

## Debt Service Fund

**Debt Service Fund** - to account for the servicing of general long-term debt not being financed by proprietary funds.

**PAULDING COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2017**

	Special Revenue Funds					
	Victims- Witness Assistance Fund	Emergency 911 Fund	Jail Fund	Supplemental Juvenile Fund	Drug Use Treatment Fund	Clerk's Technology Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 69,990	\$ 1,573,232	\$ 638,287	\$ 146,992	\$ 283,756	\$ 688,488
Accounts receivable	-	379,989	-	-	545	-
Taxes receivable	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ 69,990</u>	<u>\$ 1,953,221</u>	<u>\$ 638,287</u>	<u>\$ 146,992</u>	<u>\$ 284,301</u>	<u>\$ 688,488</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 20,098	\$ 3,678	\$ -	\$ -	\$ -
Due to other funds	-	281,741	532	-	-	-
Due to component unit	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>301,839</u>	<u>4,210</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Restricted:						
Debt service	-	-	-	-	-	-
Judicial services	69,990	-	-	-	-	688,488
Public safety services	-	1,651,382	634,077	146,992	284,301	-
Capital projects	-	-	-	-	-	-
Committed:						
Commissary purchases	-	-	-	-	-	-
Total fund balances	<u>69,990</u>	<u>1,651,382</u>	<u>634,077</u>	<u>146,992</u>	<u>284,301</u>	<u>688,488</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 69,990</u>	<u>\$ 1,953,221</u>	<u>\$ 638,287</u>	<u>\$ 146,992</u>	<u>\$ 284,301</u>	<u>\$ 688,488</u>

Special Revenue Funds			Capital Projects Funds				Total Nonmajor Governmental Funds
Law Library Fund	Sheriff Commissary Fund	Drug Confiscation Fund	SPLOST III Fund	SPLOST V Fund	Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
\$ 62,432	\$ 213,677	\$ 61,310	\$ -	\$ 2,319,287	\$ 138,529	\$ 6,047,760	\$ 12,243,740
-	-	-	-	-	-	-	380,534
-	-	-	-	1,311,295	-	211,144	1,522,439
-	-	-	-	-	850,890	-	850,890
-	-	-	-	-	-	25,921	25,921
<u>\$ 62,432</u>	<u>\$ 213,677</u>	<u>\$ 61,310</u>	<u>\$ -</u>	<u>\$ 3,630,582</u>	<u>\$ 989,419</u>	<u>\$ 6,284,825</u>	<u>\$ 15,023,524</u>
\$ -	\$ -	\$ -	\$ -	\$ 171,780	\$ 90,309	\$ -	\$ 285,865
-	-	-	-	-	-	-	282,273
-	-	-	-	-	770,412	-	770,412
-	-	-	-	171,780	860,721	-	1,338,550
-	-	-	-	-	-	188,464	188,464
-	-	-	-	-	-	188,464	188,464
-	-	-	-	-	-	6,096,361	6,096,361
62,432	-	-	-	-	-	-	820,910
-	-	61,310	-	-	-	-	2,778,062
-	-	-	-	3,458,802	128,698	-	3,587,500
-	213,677	-	-	-	-	-	213,677
<u>62,432</u>	<u>213,677</u>	<u>61,310</u>	<u>-</u>	<u>3,458,802</u>	<u>128,698</u>	<u>6,096,361</u>	<u>13,496,510</u>
<u>\$ 62,432</u>	<u>\$ 213,677</u>	<u>\$ 61,310</u>	<u>\$ -</u>	<u>\$ 3,630,582</u>	<u>\$ 989,419</u>	<u>\$ 6,284,825</u>	<u>\$ 15,023,524</u>

**PAULDING COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds					
	Victims- Witness Assistance Fund	Emergency 911 Fund	Jail Fund	Supplemental Juvenile Fund	Drug Use Treatment Fund	Clerk's Technology Fund
<b>Revenues:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	91,616	-	122,227	12,930	-	-
Charges for services	-	2,569,608	-	-	71,617	133,847
Intergovernmental	-	-	-	-	-	-
Investment income	-	1,073	338	74	135	329
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>91,616</u>	<u>2,570,681</u>	<u>122,565</u>	<u>13,004</u>	<u>71,752</u>	<u>134,176</u>
<b>Expenditures:</b>						
Current:						
Judicial	90,786	-	-	-	-	75,162
Public safety	-	2,540,975	146,308	15,350	41,781	-
Intergovernmental	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-
Total expenditures	<u>90,786</u>	<u>2,540,975</u>	<u>146,308</u>	<u>15,350</u>	<u>41,781</u>	<u>75,162</u>
Excess (deficiency) of revenues over expenditures	830	29,706	(23,743)	(2,346)	29,971	59,014
<b>Other financing uses:</b>						
Transfers out	-	-	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	830	29,706	(23,743)	(2,346)	29,971	59,014
<b>Fund balances, beginning of year</b>	<u>69,160</u>	<u>1,621,676</u>	<u>657,820</u>	<u>149,338</u>	<u>254,330</u>	<u>629,474</u>
<b>Fund balances, end of year</b>	<u>\$ 69,990</u>	<u>\$ 1,651,382</u>	<u>\$ 634,077</u>	<u>\$ 146,992</u>	<u>\$ 284,301</u>	<u>\$ 688,488</u>

Special Revenue Funds			Capital Projects Funds				Total Nonmajor Governmental Funds
Law Library Fund	Sheriff Commissary Fund	Drug Confiscation Fund	SPLOST III Fund	SPLOST V Fund	Capital Projects Fund	Debt Service Fund	
\$ -	\$ -	\$ -	\$ -	\$ 3,808,034	\$ -	\$ 8,588,837	\$ 12,396,871
-	-	36,751	-	-	-	-	263,524
43,988	223,422	-	-	-	-	-	3,042,482
-	-	-	-	-	919,202	-	919,202
-	-	-	5,995	344	69	2,623	10,980
-	-	-	-	-	6,783	-	6,783
<u>43,988</u>	<u>223,422</u>	<u>36,751</u>	<u>5,995</u>	<u>3,808,378</u>	<u>926,054</u>	<u>8,591,460</u>	<u>16,639,842</u>
49,568	-	-	-	-	-	-	215,516
-	189,803	55,036	-	-	-	-	2,989,253
-	-	-	-	349,576	-	-	349,576
-	-	-	605,723	-	1,354,281	-	1,960,004
-	-	-	-	-	-	5,340,000	5,340,000
-	-	-	-	-	-	2,280,938	2,280,938
<u>49,568</u>	<u>189,803</u>	<u>55,036</u>	<u>605,723</u>	<u>349,576</u>	<u>1,354,281</u>	<u>7,620,938</u>	<u>13,135,287</u>
(5,580)	33,619	(18,285)	(599,728)	3,458,802	(428,227)	970,522	3,504,555
-	-	-	-	-	(2,058,806)	-	(2,058,806)
-	-	-	-	-	(2,058,806)	-	(2,058,806)
(5,580)	33,619	(18,285)	(599,728)	3,458,802	(2,487,033)	970,522	1,445,749
<u>68,012</u>	<u>180,058</u>	<u>79,595</u>	<u>599,728</u>	<u>-</u>	<u>2,615,731</u>	<u>5,125,839</u>	<u>12,050,761</u>
<u>\$ 62,432</u>	<u>\$ 213,677</u>	<u>\$ 61,310</u>	<u>\$ -</u>	<u>\$ 3,458,802</u>	<u>\$ 128,698</u>	<u>\$ 6,096,361</u>	<u>\$ 13,496,510</u>

**PAULDING COUNTY, GEORGIA  
VICTIMS-WITNESS ASSISTANCE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 100,000	\$ 100,000	\$ 91,616	\$ (8,384)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>91,616</u>	<u>(8,384)</u>
<b>Expenditures:</b>				
Current:				
Judicial	100,000	100,000	90,786	9,214
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>90,786</u>	<u>9,214</u>
Net changes in fund balances	-	-	830	830
<b>Fund balances, beginning of year</b>	<u>69,160</u>	<u>69,160</u>	<u>69,160</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 69,160</u>	<u>\$ 69,160</u>	<u>\$ 69,990</u>	<u>\$ 830</u>

**PAULDING COUNTY, GEORGIA  
EMERGENCY 911 FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 2,600,000	\$ 2,500,000	\$ 2,569,608	\$ 69,608
Interest income	-	-	1,073	1,073
Total revenues	<u>2,600,000</u>	<u>2,500,000</u>	<u>2,570,681</u>	<u>70,681</u>
<b>Expenditures:</b>				
Current:				
Public safety	3,148,400	2,550,000	2,540,975	9,025
Total expenditures	<u>3,148,400</u>	<u>2,550,000</u>	<u>2,540,975</u>	<u>9,025</u>
Net changes in fund balances	(548,400)	(50,000)	29,706	79,706
<b>Fund balances, beginning of year</b>	<u>1,621,676</u>	<u>1,621,676</u>	<u>1,621,676</u>	-
<b>Fund balances, end of year</b>	<u>\$ 1,073,276</u>	<u>\$ 1,571,676</u>	<u>\$ 1,651,382</u>	<u>\$ 79,706</u>

**PAULDING COUNTY, GEORGIA  
JAIL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 100,000	\$ 126,000	\$ 122,227	\$ (3,773)
Investment income	-	-	338	338
Total revenues	<u>100,000</u>	<u>126,000</u>	<u>122,565</u>	<u>(3,435)</u>
<b>Expenditures:</b>				
Current:				
Public safety	250,000	150,000	146,308	3,692
Total expenditures	<u>250,000</u>	<u>150,000</u>	<u>146,308</u>	<u>3,692</u>
Net changes in fund balances	(150,000)	(24,000)	(23,743)	257
<b>Fund balances, beginning of year</b>	<u>657,820</u>	<u>657,820</u>	<u>657,820</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 507,820</u>	<u>\$ 633,820</u>	<u>\$ 634,077</u>	<u>\$ 257</u>

**PAULDING COUNTY, GEORGIA  
SUPPLEMENTAL JUVENILE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 20,000	\$ 16,000	\$ 12,930	\$ (3,070)
Investment income	-	-	74	74
Total revenues	<u>20,000</u>	<u>16,000</u>	<u>13,004</u>	<u>(2,996)</u>
<b>Expenditures:</b>				
Current:				
Public safety	20,000	16,000	15,350	650
Total expenditures	<u>20,000</u>	<u>16,000</u>	<u>15,350</u>	<u>650</u>
Net changes in fund balances	-	-	(2,346)	(2,346)
<b>Fund balances, beginning of year</b>	<u>149,338</u>	<u>149,338</u>	<u>149,338</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 149,338</u>	<u>\$ 149,338</u>	<u>\$ 146,992</u>	<u>\$ (2,346)</u>

**PAULDING COUNTY, GEORGIA  
DRUG USE TREATMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 50,000	\$ 72,000	\$ 71,617	\$ (383)
Interest income	-	-	135	135
Total revenues	<u>50,000</u>	<u>72,000</u>	<u>71,752</u>	<u>(248)</u>
<b>Expenditures:</b>				
Current:				
Public safety	50,000	72,000	41,781	30,219
Total expenditures	<u>50,000</u>	<u>72,000</u>	<u>41,781</u>	<u>30,219</u>
Net changes in fund balances	-	-	29,971	29,971
<b>Fund balances, beginning of year</b>	<u>254,330</u>	<u>254,330</u>	<u>254,330</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 254,330</u>	<u>\$ 254,330</u>	<u>\$ 284,301</u>	<u>\$ 29,971</u>

**PAULDING COUNTY, GEORGIA  
CLERK'S TECHNOLOGY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 120,000	\$ 135,000	\$ 133,847	\$ (1,153)
Interest income	-	-	329	329
Total revenues	<u>120,000</u>	<u>135,000</u>	<u>134,176</u>	<u>(824)</u>
<b>Expenditures:</b>				
Current:				
Judicial	120,000	135,000	75,162	59,838
Total expenditures	<u>120,000</u>	<u>135,000</u>	<u>75,162</u>	<u>59,838</u>
Net changes in fund balances	-	-	59,014	59,014
<b>Fund balances, beginning of year</b>	<u>629,474</u>	<u>629,474</u>	<u>629,474</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 629,474</u>	<u>\$ 629,474</u>	<u>\$ 688,488</u>	<u>\$ 59,014</u>

**PAULDING COUNTY, GEORGIA  
LAW LIBRARY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 50,000	\$ 50,000	\$ 43,988	\$ (6,012)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>43,988</u>	<u>(6,012)</u>
<b>Expenditures:</b>				
Current:				
Judicial	50,000	50,000	49,568	432
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>49,568</u>	<u>432</u>
Net changes in fund balances	-	-	(5,580)	(5,580)
<b>Fund balances, beginning of year</b>	<u>68,012</u>	<u>68,012</u>	<u>68,012</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 68,012</u></u>	<u><u>\$ 68,012</u></u>	<u><u>\$ 62,432</u></u>	<u><u>\$ (5,580)</u></u>

**PAULDING COUNTY, GEORGIA  
SHERIFF COMMISSARY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 225,000	\$ 225,000	\$ 223,422	\$ (1,578)
Total revenues	<u>225,000</u>	<u>225,000</u>	<u>223,422</u>	<u>(1,578)</u>
<b>Expenditures:</b>				
Current:				
Public safety	225,000	225,000	189,803	35,197
Total expenditures	<u>225,000</u>	<u>225,000</u>	<u>189,803</u>	<u>35,197</u>
Net changes in fund balances	-	-	33,619	33,619
<b>Fund balances, beginning of year</b>	<u>180,058</u>	<u>180,058</u>	<u>180,058</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 180,058</u>	<u>\$ 180,058</u>	<u>\$ 213,677</u>	<u>\$ 33,619</u>

**PAULDING COUNTY, GEORGIA  
DRUG CONFISCATION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 230,000	\$ 47,000	\$ 36,751	\$ (10,249)
Total revenues	<u>230,000</u>	<u>47,000</u>	<u>36,751</u>	<u>(10,249)</u>
<b>Expenditures:</b>				
Current:				
Public safety	230,000	47,000	55,036	(8,036)
Total expenditures	<u>230,000</u>	<u>47,000</u>	<u>55,036</u>	<u>(8,036)</u>
Net changes in fund balances	-	-	(18,285)	(18,285)
<b>Fund balances, beginning of year</b>	<u>79,595</u>	<u>79,595</u>	<u>79,595</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 79,595</u></u>	<u><u>\$ 79,595</u></u>	<u><u>\$ 61,310</u></u>	<u><u>\$ (18,285)</u></u>

**PAULDING COUNTY, GEORGIA  
DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 7,842,000	\$ 7,647,500	\$ 8,588,837	\$ 941,337
Investment income	-	2,500	2,623	123
Total revenues	<u>7,842,000</u>	<u>7,650,000</u>	<u>8,591,460</u>	<u>941,460</u>
<b>Expenditures:</b>				
Debt service:				
Principal	5,385,000	5,385,000	5,340,000	45,000
Interest and fees	2,457,000	2,265,000	2,280,938	(15,938)
Total expenditures	<u>7,842,000</u>	<u>7,650,000</u>	<u>7,620,938</u>	<u>29,062</u>
Net changes in fund balances	-	-	970,522	970,522
<b>Fund balances, beginning of year</b>	<u>5,125,839</u>	<u>5,125,839</u>	<u>5,125,839</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 5,125,839</u>	<u>\$ 5,125,839</u>	<u>\$ 6,096,361</u>	<u>\$ 970,522</u>

**PAULDING COUNTY, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL**  
**OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

Project	Estimated Cost		Expenditures		Total
	Original	Current	Prior Years	Current Year	
<b>SPLOST III</b>					
Roads, streets and bridges	\$ 40,500,000	\$ 38,374,964	\$ 38,374,964	\$ -	\$ 38,374,964
Public safety and fire protection facilities and equipment	12,150,000	11,869,075	11,869,075	-	11,869,075
Recreation	28,350,000	27,448,611	26,842,888	605,723	27,448,611
Payments to City of Dallas	5,580,000	4,204,080	4,204,080	-	4,204,080
Payments to City of Hiram	3,420,000	2,576,694	2,576,694	-	2,576,694
Total SPLOST III expenditures	<u>\$ 90,000,000</u>	<u>\$ 84,473,424</u>	<u>\$ 83,867,701</u>	<u>\$ 605,723</u>	<u>\$ 84,473,424</u>
<b>Non-SPLOST expenditures*</b>					
Roads, streets and bridges			\$ 8,260,841	\$ -	
Public safety and fire protection facilities and equipment			21,000	-	
Recreation			142,702	-	
Total non-SPLOST expenditures			<u>8,424,543</u>	<u>-</u>	
Total Project expenditures			<u>\$ 92,292,244</u>	<u>\$ 605,723</u>	
*Paulding County uses Intergovernmental Revenues as well as contributions from other parties to expand our SPLOST projects. Contributions to the SPLOST Projects are as follows:					
State Department of Transportation			\$ 5,539,838	\$ -	
State Department of Community Affairs			30,000	-	
City of Dallas			382,190	-	
U.S. Department of Energy			51,000	-	
Governor's Emergency Management Agency			80,677	-	
Developers			2,338,813	-	
West Metro Soccer			2,025	-	
			<u>\$ 8,424,543</u>	<u>\$ -</u>	

**PAULDING COUNTY, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL**  
**OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

<b>Project</b>	<b>Estimated Cost</b>		<b>Expenditures</b>		<b>Total</b>
	<b>Original</b>	<b>Current</b>	<b>Prior Years</b>	<b>Current Year</b>	
<b>SPLOST IV</b>					
Roads, streets and bridges	\$ 47,528,348	\$ 47,528,348	\$ 23,406,256	\$ 9,175,559	\$ 32,581,815
Public safety and fire protection facilities and equipment	17,554,024	17,554,024	12,094,710	3,973,579	16,068,289
Recreation	16,560,400	16,560,400	838,047	5,672,207	6,510,254
Economic Development: Fiber Optic Communications	1,159,228	1,159,228	74,989	-	74,989
Payments to City of Dallas	6,840,000	6,413,927	5,489,863	924,064	6,413,927
Payments to City of Hiram	5,358,000	5,024,244	4,300,394	723,850	5,024,244
<b>Total SPLOST IV expenditures</b>	<b>\$ 95,000,000</b>	<b>\$ 94,240,171</b>	<b>\$ 46,204,259</b>	<b>\$ 20,469,259</b>	<b>\$ 66,673,518</b>
<b>Non-SPLOST expenditures*</b>					
Roads, streets and bridges			\$ 603,008	\$ 671,378	
Public safety and fire protection facilities and equipment			376,419	934,091	
<b>Total non-SPLOST expenditures</b>			<b>979,427</b>	<b>1,605,469</b>	
<b>Total Project expenditures</b>			<b>\$ 47,183,686</b>	<b>\$ 22,074,728</b>	

\*Paulding County uses Intergovernmental Revenues as well as contributions from other parties to expand our SPLOST projects. Contributions to the SPLOST Projects are as follows:

State Department of Transportation	\$ 307,255	\$ -
Georgia Emergency Management Agency	176,000	-
Federal Emergency Management Agency	-	934,091
Developers	295,753	167,578
Sale of surplus property	-	503,800
City of Dallas	56,994	-
City of Hiram	64,639	-
West Metro	590	-
Paulding County Board of Education	78,196	-
	<b>\$ 979,427</b>	<b>\$ 1,605,469</b>

**PAULDING COUNTY, GEORGIA**

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL  
OPTION SALES TAX PROCEEDS  
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Project</u>	<u>Estimated Cost</u>		<u>Expenditures</u>		<u>Total</u>
	<u>Original</u>	<u>Current</u>	<u>Prior Years</u>	<u>Current Year</u>	
<b>SPLOST V</b>					
Roads, streets and bridges	\$ 54,868,660	\$ 54,868,660	\$ -	\$ -	\$ -
Public safety and fire protection facilities and equipment	22,176,880	22,176,880	-	-	-
Recreation	17,206,200	17,206,200	-	-	-
Economic Development: Fiber Optic Communications	1,338,260	1,338,260	-	-	-
Payments to City of Dallas	8,030,000	8,030,000	-	194,802	194,802
Payments to City of Hiram	<u>6,380,000</u>	<u>6,380,000</u>	<u>-</u>	<u>154,774</u>	<u>154,774</u>
Total SPLOST V expenditures	<u>\$ 110,000,000</u>	<u>\$ 110,000,000</u>	<u>\$ -</u>	<u>\$ 349,576</u>	<u>\$ 349,576</u>

## ENTERPRISE FUNDS

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Enterprise funds are used to account for external activities that are usually self-sustaining, primarily through user charges for services rendered.

**Solid Waste Fund**- to account for the operation of the County's landfill.

**DFACS Building Fund** - to account for activity related to the lease of the DFACS building.

**PAULDING COUNTY, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2017**

	<b>Solid Waste Fund</b>	<b>DFACS Building Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>			
Current assets:			
Cash	\$ -	\$ 853,093	\$ 853,093
Receivables	75,322	-	75,322
Total current assets	<u>75,322</u>	<u>853,093</u>	<u>928,415</u>
Noncurrent assets:			
Advances to other funds	928,651	-	928,651
Capital assets:			
Capital assets, not being depreciated	612,233	-	612,233
Capital assets, being depreciated	2,103,053	3,114,495	5,217,548
Less accumulated depreciation	<u>(1,955,378)</u>	<u>(1,187,396)</u>	<u>(3,142,774)</u>
Total capital assets, net of accumulated depreciation	<u>759,908</u>	<u>1,927,099</u>	<u>2,687,007</u>
Total noncurrent assets	<u>1,688,559</u>	<u>1,927,099</u>	<u>3,615,658</u>
Total assets	<u>1,763,881</u>	<u>2,780,192</u>	<u>4,544,073</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	66,898	-	66,898
Due to other funds	-	2,943	2,943
Compensated absences, current	19,857	-	19,857
Post closure care cost, current	549,735	-	549,735
Total current liabilities	<u>636,490</u>	<u>2,943</u>	<u>639,433</u>
Long-term liabilities:			
Compensated absences	8,510	-	8,510
Post closure care cost	3,243,730	-	3,243,730
Total long-term liabilities	<u>3,252,240</u>	<u>-</u>	<u>3,252,240</u>
Total liabilities	<u>3,888,730</u>	<u>2,943</u>	<u>3,891,673</u>
<b>NET POSITION</b>			
Investment in capital assets	759,908	1,927,099	2,687,007
Unrestricted	<u>(2,884,757)</u>	<u>850,150</u>	<u>(2,034,607)</u>
Total net position	<u>\$ (2,124,849)</u>	<u>\$ 2,777,249</u>	<u>\$ 652,400</u>

**PAULDING COUNTY, GEORGIA**

**COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Solid Waste Fund</u>	<u>DFACS Building Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>OPERATING REVENUES</b>			
Miscellaneous revenues	\$ 28,420	\$ -	\$ 28,420
Landfill and recycling fees	1,507,952	-	1,507,952
Lease income	-	342,989	342,989
Total operating revenues	<u>1,536,372</u>	<u>342,989</u>	<u>1,879,361</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	289,089	-	289,089
Other operating expenses	1,286,935	7,938	1,294,873
Depreciation expense	28,749	77,862	106,611
Total operating expenses	<u>1,604,773</u>	<u>85,800</u>	<u>1,690,573</u>
Operating income (loss)	(68,401)	257,189	188,788
<b>NONOPERATING EXPENSES</b>			
Interest expense	-	(1,367)	(1,367)
Total nonoperating expenses	<u>-</u>	<u>(1,367)</u>	<u>(1,367)</u>
<b>INCOME BEFORE TRANSFERS</b>	(68,401)	255,822	187,421
Transfers in	200,000	-	200,000
Total transfers	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Change in net position	131,599	255,822	387,421
<b>NET POSITION, beginning of year</b>	<u>(2,256,448)</u>	<u>2,521,427</u>	<u>264,979</u>
<b>NET POSITION, end of year</b>	<u>\$ (2,124,849)</u>	<u>\$ 2,777,249</u>	<u>\$ 652,400</u>

**PAULDING COUNTY, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Solid Waste Fund</b>	<b>DFACS Building Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 1,511,568	\$ 342,989	\$ 1,854,557
Payments to suppliers and service providers	(1,431,556)	(5,125)	(1,436,681)
Payments to employees	(280,012)	-	(280,012)
Net cash provided by (used in) operating activities	<u>(200,000)</u>	<u>337,864</u>	<u>137,864</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on notes payable	-	(190,954)	(190,954)
Interest and fiscal charges paid	-	(2,052)	(2,052)
Net cash used in capital and related financing activities	<u>-</u>	<u>(193,006)</u>	<u>(193,006)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	200,000	-	200,000
Net cash provided by noncapital financing activities	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Net increase in cash and cash equivalents	-	144,858	144,858
<b>Cash and cash equivalents:</b>			
Beginning of year	-	708,235	708,235
End of year	<u>\$ -</u>	<u>\$ 853,093</u>	<u>\$ 853,093</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ (68,401)	\$ 257,189	\$ 188,788
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	28,749	77,862	106,611
Increase in accounts receivable	(24,804)	-	(24,804)
Increase in advances to other funds	(254,950)	-	(254,950)
Increase (decrease) in accounts payable	17,186	(130)	17,056
Increase in due to other funds	-	2,943	2,943
Increase in post closure care costs	93,143	-	93,143
Increase in compensated absences	9,077	-	9,077
Net cash provided by (used in) operating activities	<u>\$ (200,000)</u>	<u>\$ 337,864</u>	<u>\$ 137,864</u>

## **AGENCY FUNDS**

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

**Tax Commissioner** - to account for the collection of all property taxes which are disbursed to other taxing units.

**Sheriff** - to account for collection of cash bonds, fines, forfeitures and other fees which are disbursed to other parties.

The following agency funds are used to account for fines, fees and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law:

**Clerk of Superior Court  
Probate Court  
Court Administration**

**PAULDING COUNTY, GEORGIA**

**COMBINING STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUNDS  
JUNE 30, 2017**

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<b><u>ASSETS</u></b>	<b><u>Tax Commissioner</u></b>	<b><u>Sheriff</u></b>	<b><u>Clerk of Superior Court</u></b>	<b><u>Probate Court</u></b>	<b><u>Court Administration</u></b>	<b><u>Total</u></b>
Cash	\$ 1,860,201	\$ 280,435	\$ 2,087,154	\$ 134,971	\$ 19,275	\$ 4,382,036
Taxes receivable	1,631,490	-	-	-	-	1,631,490
Total assets	<u>\$ 3,491,691</u>	<u>\$ 280,435</u>	<u>\$ 2,087,154</u>	<u>\$ 134,971</u>	<u>\$ 19,275</u>	<u>\$ 6,013,526</u>
<b><u>LIABILITIES</u></b>						
Due to others	\$ 1,860,201	\$ 280,435	\$ 2,087,154	\$ 134,971	\$ 19,275	\$ 4,382,036
Uncollected taxes	1,631,490	-	-	-	-	1,631,490
Total liabilities	<u>\$ 3,491,691</u>	<u>\$ 280,435</u>	<u>\$ 2,087,154</u>	<u>\$ 134,971</u>	<u>\$ 19,275</u>	<u>\$ 6,013,526</u>

**PAULDING COUNTY, GEORGIA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Balance July 1, 2016</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2017</b>
<b><u>Tax Commissioner</u></b>				
<b>ASSETS</b>				
Cash	\$ 1,932,124	\$ 138,831,598	\$ (138,903,521)	\$ 1,860,201
Taxes receivable	2,045,794	103,147,008	(103,561,312)	1,631,490
Total assets	<u>\$ 3,977,918</u>	<u>\$ 241,978,606</u>	<u>\$ (242,464,833)</u>	<u>\$ 3,491,691</u>
<b>LIABILITIES</b>				
Due to others	\$ 1,932,124	\$ 138,831,598	\$ (138,903,521)	\$ 1,860,201
Uncollected taxes	2,045,794	103,147,008	(103,561,312)	1,631,490
Total liabilities	<u>\$ 3,977,918</u>	<u>\$ 241,978,606</u>	<u>\$ (242,464,833)</u>	<u>\$ 3,491,691</u>
<b><u>Sheriff</u></b>				
<b>ASSETS</b>				
Cash	\$ 72,630	\$ 1,072,721	\$ (864,916)	\$ 280,435
Total assets	<u>\$ 72,630</u>	<u>\$ 1,072,721</u>	<u>\$ (864,916)</u>	<u>\$ 280,435</u>
<b>LIABILITIES</b>				
Due to others	\$ 72,630	\$ 1,072,721	\$ (864,916)	\$ 280,435
Total liabilities	<u>\$ 72,630</u>	<u>\$ 1,072,721</u>	<u>\$ (864,916)</u>	<u>\$ 280,435</u>
<b><u>Clerk of Superior Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 1,861,546	\$ 9,483,343	\$ (9,257,735)	\$ 2,087,154
Total assets	<u>\$ 1,861,546</u>	<u>\$ 9,483,343</u>	<u>\$ (9,257,735)</u>	<u>\$ 2,087,154</u>
<b>LIABILITIES</b>				
Due to others	\$ 1,861,546	\$ 9,483,343	\$ (9,257,735)	\$ 2,087,154
Total liabilities	<u>\$ 1,861,546</u>	<u>\$ 9,483,343</u>	<u>\$ (9,257,735)</u>	<u>\$ 2,087,154</u>

(Continued)

**PAULDING COUNTY, GEORGIA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Balance July 1, 2016</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2017</b>
<b><u>Probate Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 155,942	\$ 2,348,922	\$ (2,369,893)	\$ 134,971
Total assets	<u>\$ 155,942</u>	<u>\$ 2,348,922</u>	<u>\$ (2,369,893)</u>	<u>\$ 134,971</u>
<b>LIABILITIES</b>				
Due to others	\$ 155,942	\$ 2,348,922	\$ (2,369,893)	\$ 134,971
Total liabilities	<u>\$ 155,942</u>	<u>\$ 2,348,922</u>	<u>\$ (2,369,893)</u>	<u>\$ 134,971</u>
<b><u>Court Administration</u></b>				
<b>ASSETS</b>				
Cash	\$ 16,720	\$ 693,898	\$ (691,343)	\$ 19,275
Total assets	<u>\$ 16,720</u>	<u>\$ 693,898</u>	<u>\$ (691,343)</u>	<u>\$ 19,275</u>
<b>LIABILITIES</b>				
Due to others	\$ 16,720	\$ 693,898	\$ (691,343)	\$ 19,275
Total liabilities	<u>\$ 16,720</u>	<u>\$ 693,898</u>	<u>\$ (691,343)</u>	<u>\$ 19,275</u>
<b><u>Total Agency Funds</u></b>				
<b>ASSETS</b>				
Cash	\$ 4,038,962	\$ 152,430,482	\$ (152,087,408)	\$ 4,382,036
Taxes receivable	2,045,794	103,147,008	(103,561,312)	1,631,490
Total assets	<u>\$ 6,084,756</u>	<u>\$ 255,577,490</u>	<u>\$ (255,648,720)</u>	<u>\$ 6,013,526</u>
<b>LIABILITIES</b>				
Due to others	\$ 4,038,962	\$ 152,430,482	\$ (152,087,408)	\$ 4,382,036
Uncollected taxes	2,045,794	103,147,008	(103,561,312)	1,631,490
Total liabilities	<u>\$ 6,084,756</u>	<u>\$ 255,577,490</u>	<u>\$ (255,648,720)</u>	<u>\$ 6,013,526</u>

**PAULDING COUNTY, GEORGIA**

**STATEMENT OF CASH FLOWS  
COMPONENT UNIT - PAULDING COUNTY AIRPORT AUTHORITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 148,735
Payments to suppliers and service providers	(303,556)
Payments to employees for salaries and benefits	<u>(132,248)</u>
Net cash used in operating activities	<u>(287,069)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Operating grants from Paulding County	<u>350,000</u>
Net cash provided by noncapital financing activities	<u>350,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal payments received from Paulding County	335,000
Interest payments received from Paulding County	68,503
Issuance of notes payable	10,033
Purchase of capital assets	(43,515)
Principal payments on notes payable	(4,418)
Principal payments on due to Paulding County Industrial Building Authority	(25,000)
Principal payments on revenue bonds	(894,695)
Interest payments on revenue bonds	<u>(68,534)</u>
Net cash used in capital and related financing activities	<u>(622,626)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>240</u>
Net cash provided by investing activities	<u>240</u>
Net decrease in cash	(559,455)
<b>Cash:</b>	
Beginning of year	<u>559,455</u>
End of year	<u>\$ -</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating loss	\$ (673,324)
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation	102,210
Changes in assets and liabilities:	
Increase in other receivable	(1,188)
Increase in other assets	(75)
Increase in accounts payable	289,131
Increase in accrued liabilities	3,442
Decrease in accrued payroll liabilities	<u>(7,265)</u>
Net cash used in operating activities	<u>\$ (287,069)</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Transfer of capital assets from Paulding County Industrial Building Authority	\$ 2,825,269
Transfer of capital assets from Paulding County	815,000
Write off of due from Paulding County	(559,695)
Relief of prior year due to Paulding County Industrial Building Authority	790,355
Issuance of note payable to Paulding County Industrial Building Authority	(1,200,000)
Note payable assumed in transfer of assets from Paulding County Industrial Building Authority	<u>(100,000)</u>
Total noncash capital and related financing activities	<u>\$ 2,570,929</u>

# STATISTICAL SECTION

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This part of Paulding 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.

	<u>Page</u>
<b>Financial Trends .....</b>	<b>94-98</b>
<b>These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.</b>	
<b>Revenue Capacity.....</b>	<b>99-102</b>
<b>These schedules contain information to help the reader assess the government’s most significant local revenue source, property tax.</b>	
<b>Debt Capacity.....</b>	<b>103-107</b>
<b>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.</b>	
<b>Demographic and Economic Information .....</b>	<b>108 and 109</b>
<b>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.</b>	
<b>Operating Information.....</b>	<b>110-112</b>
<b>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.</b>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

# PAULDING COUNTY, GEORGIA

## NET POSITION BY COMPONENT Last Ten Fiscal Years (accrual basis of accounting) (amounts expressed in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>GOVERNMENTAL ACTIVITIES</b>										
Net investment in capital assets	\$ 269,376	\$ 286,905	\$ 297,040	\$ 309,392	\$ 317,191	\$ 323,994	\$ 348,388	\$ 352,136	\$ 353,602	\$ 378,740
Restricted:	24,221	31,811	33,746	33,998	38,480	40,181	40,910	43,627	50,425	44,813
Unrestricted:	19,522	18,027	20,674	24,187	27,326	36,275	37,004	38,231	40,480	51,155
Total governmental activities net position	\$ 313,119	\$ 336,743	\$ 351,460	\$ 367,577	\$ 382,987	\$ 400,450	\$ 426,302	\$ 433,994	\$ 444,508	\$ 474,708
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net investment in capital assets	\$ 114,514	\$ 121,465	\$ 110,792	\$ 110,693	\$ 109,919	\$ 109,324	\$ 109,486	\$ 109,802	\$ 115,440	\$ 131,297
Restricted	28,721	19,904	18,497	20,760	18,101	17,573	16,337	25,633	32,292	33,702
Unrestricted	521	2,562	6,885	5,811	10,533	13,141	19,199	15,779	14,780	9,156
Total business-type activities net position	\$ 143,756	\$ 143,931	\$ 136,174	\$ 137,264	\$ 138,553	\$ 140,038	\$ 145,022	\$ 151,214	\$ 162,512	\$ 174,155
<b>PRIMARY GOVERNMENT</b>										
Net investment in capital assets	\$ 383,890	\$ 408,370	\$ 407,832	\$ 420,085	\$ 427,110	\$ 433,318	\$ 457,874	\$ 461,938	\$ 469,042	\$ 510,038
Restricted	52,942	51,715	52,243	54,758	56,581	57,754	57,247	69,260	82,718	78,514
Unrestricted	20,043	20,589	27,559	29,998	37,859	49,416	56,203	54,010	55,261	60,311
Total primary government net position	\$ 456,875	\$ 480,674	\$ 487,634	\$ 504,841	\$ 521,550	\$ 540,488	\$ 571,324	\$ 585,208	\$ 607,020	\$ 648,863
Restatements	\$ -	\$ (6,370)	\$ 1,208	\$ -	\$ (1,263)	\$ -	\$ (5,798)	\$ 1,684	\$ -	\$ -
Total primary government net position, after restatements	\$ 456,875	\$ 474,304	\$ 488,842	\$ 504,841	\$ 520,287	\$ 540,488	\$ 565,526	\$ 586,892	\$ 607,020	\$ 648,863

# PAULDING COUNTY, GEORGIA

## CHANGES IN NET POSITION Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental activities:										
General government	\$ 11,875,723	\$ 15,194,639	\$ 14,098,539	\$ 13,857,914	\$ 12,828,090	\$ 13,486,082	\$ 16,161,698	\$ 13,467,900	\$ 17,912,892	\$ 16,900,789
Judicial	5,001,704	5,287,183	5,151,644	5,110,368	4,968,486	4,950,952	4,988,519	5,369,441	6,159,356	5,891,909
Public safety	28,693,906	28,967,134	29,170,128	30,212,938	30,727,439	31,408,123	32,541,547	34,910,648	35,793,907	37,680,165
Public works	17,492,423	17,090,062	18,418,050	18,359,434	20,546,641	17,230,240	15,932,680	16,861,667	21,218,229	19,507,720
Health and welfare	1,933,974	1,811,145	1,914,298	1,902,239	1,720,419	1,572,223	1,101,925	1,090,330	1,101,180	1,112,089
Culture and recreation	3,695,956	3,349,656	3,408,073	3,575,759	3,336,955	3,035,568	3,887,285	4,119,985	4,210,910	4,297,563
Housing and development	2,651,121	2,233,494	2,835,188	3,373,239	2,905,201	7,009,854	3,494,755	3,115,861	6,660,286	2,839,882
Interest on long term debt	4,075,876	3,915,011	3,685,045	3,174,633	3,434,916	3,252,729	3,228,459	3,054,321	2,614,976	2,510,741
Intergovernmental	-	-	4,056,291	-	-	-	-	9,217,651	-	-
Total governmental activities expenses	<u>75,420,683</u>	<u>77,788,324</u>	<u>82,737,256</u>	<u>79,566,524</u>	<u>80,470,747</u>	<u>81,945,761</u>	<u>81,336,868</u>	<u>91,207,804</u>	<u>95,671,736</u>	<u>90,740,858</u>
Business-type activities:										
Water and sewer	18,265,107	20,444,230	22,764,941	23,625,349	24,760,061	25,298,500	25,070,543	26,610,733	28,389,824	31,639,600
DFACS building	182,939	160,480	149,806	145,342	136,802	133,435	129,039	206,940	133,476	87,167
Solid waste	871,377	2,906,377	918,100	920,355	859,441	935,999	845,047	899,740	1,318,065	1,604,773
Total business-type activities expense	<u>19,319,423</u>	<u>23,511,087</u>	<u>23,832,847</u>	<u>24,691,046</u>	<u>25,756,304</u>	<u>26,367,934</u>	<u>26,044,629</u>	<u>27,717,413</u>	<u>29,841,365</u>	<u>33,331,540</u>
Total primary government expense	<u>\$ 94,740,106</u>	<u>\$ 101,299,411</u>	<u>\$ 106,570,103</u>	<u>\$ 104,257,570</u>	<u>\$ 106,227,051</u>	<u>\$ 108,313,695</u>	<u>\$ 107,381,497</u>	<u>\$ 118,925,217</u>	<u>\$ 125,513,101</u>	<u>\$ 124,072,398</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services	\$ 2,759,231	\$ 3,033,474	\$ 2,397,118	\$ 2,132,286	\$ 1,864,262	\$ 1,977,998	\$ 2,045,515	\$ 2,209,102	\$ 2,359,472	\$ 2,630,665
Judicial	3,039,953	3,201,439	3,492,115	3,403,827	3,346,870	3,351,315	2,666,769	2,475,097	2,614,298	2,796,435
Public safety	2,317,901	2,312,619	3,502,410	3,074,576	2,654,077	2,867,671	3,412,588	3,610,189	3,521,329	4,282,488
Public works	1,061,657	1,021,306	1,069,047	1,181,796	1,084,215	1,114,756	1,199,716	1,205,856	1,256,622	1,356,297
Housing and development	1,377,107	713,609	444,926	269,317	283,264	539,051	810,710	859,955	833,725	1,549,347
Other activities	340,607	352,270	344,837	372,423	452,223	476,720	504,372	517,190	600,916	641,921
Operating grants and contributions	889,127	1,311,103	455,452	726,533	866,016	618,866	350,281	361,075	422,534	331,296
Capital grants and contributions	24,208,239	19,614,453	9,599,840	11,522,537	12,311,297	13,268,828	17,904,480	10,840,920	9,267,047	17,056,632
Total governmental activities program revenues	<u>\$ 35,993,822</u>	<u>\$ 31,560,273</u>	<u>\$ 21,305,745</u>	<u>\$ 22,683,295</u>	<u>\$ 22,862,224</u>	<u>\$ 24,215,205</u>	<u>\$ 28,884,431</u>	<u>\$ 22,079,384</u>	<u>\$ 20,875,943</u>	<u>\$ 30,645,081</u>

continued

**PAULDING COUNTY, GEORGIA**

**CHANGES IN NET POSITION**  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>										
Business-type activities:										
Charges for services										
Water and sewer	\$ 19,658,416	\$ 20,383,240	\$ 21,961,696	\$ 23,586,071	\$ 24,930,836	\$ 25,563,847	\$ 26,599,779	\$ 28,566,440	\$ 30,458,757	\$ 34,403,385
DFACS building	332,499	332,499	332,876	333,315	343,280	343,971	343,569	371,466	342,978	342,989
Solid waste	644,878	683,249	762,270	742,281	764,696	572,032	749,898	786,626	1,152,120	1,536,372
Capital grants and contributions	8,608,437	1,331,978	1,731,329	836,962	762,232	1,677,562	3,095,368	3,954,969	6,419,862	8,402,225
Total business-type activities program revenues	\$ 29,244,230	\$ 22,740,966	\$ 24,788,171	\$ 25,490,629	\$ 26,801,044	\$ 28,157,412	\$ 30,788,614	\$ 33,679,501	\$ 38,373,717	\$ 44,684,971
Total primary government program revenues	\$ 65,238,052	\$ 54,301,239	\$ 46,093,916	\$ 48,181,924	\$ 49,663,268	\$ 52,372,617	\$ 59,673,045	\$ 55,758,885	\$ 59,249,660	\$ 75,330,052
Net (expense)/revenue	\$ (39,426,861)	\$ (46,228,051)	\$ (61,431,511)	\$ (56,883,229)	\$ (57,608,523)	\$ (57,730,556)	\$ (52,452,437)	\$ (69,128,420)	\$ (74,795,793)	\$ (60,095,777)
Governmental activities	\$ 9,924,807	\$ (770,121)	\$ 955,324	\$ 807,563	\$ 1,044,740	\$ 1,789,478	\$ 4,743,985	\$ 5,962,086	\$ 8,532,352	\$ 11,353,431
Total primary government net (expense) revenue	\$ (29,502,054)	\$ (46,998,172)	\$ (60,476,187)	\$ (56,075,666)	\$ (56,563,783)	\$ (55,941,078)	\$ (47,708,452)	\$ (63,166,332)	\$ (66,263,441)	\$ (48,742,346)
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	\$ 28,159,043	\$ 29,311,208	\$ 28,174,129	\$ 27,199,533	\$ 25,592,760	\$ 25,594,931	\$ 27,837,664	\$ 27,923,388	\$ 27,834,758	\$ 27,654,274
Property taxes, levied for debt service	2,033,312	2,129,805	6,221,571	6,340,442	6,025,724	5,870,760	6,383,258	7,348,110	8,203,298	8,317,260
Property taxes, levied for fire service	7,780,368	8,362,153	7,833,792	6,922,416	6,354,045	8,490,192	8,561,817	9,876,468	11,093,884	12,067,843
Intangible recording tax	1,260,788	961,019	658,540	618,349	669,945	1,206,286	941,803	1,018,672	1,352,739	1,538,672
Local option sales tax	12,978,324	11,523,617	11,624,716	11,700,037	12,514,606	12,365,806	12,085,054	12,723,171	12,905,919	13,251,618
Special local option sales tax	13,344,404	11,745,254	13,506,950	13,422,530	14,357,398	14,322,252	14,129,720	14,886,039	15,108,307	15,510,716
Insurance premium tax	3,651,265	3,740,263	3,686,633	3,585,518	5,311,731	5,674,609	5,897,844	6,222,989	6,663,849	7,091,400
Alcoholic beverage tax	527,919	620,450	664,404	669,278	669,606	684,498	690,005	644,953	733,214	790,732
Cable TV franchise tax	845,204	944,382	1,016,474	1,047,225	1,226,183	1,305,951	1,359,280	1,458,951	1,553,825	1,530,011
Real estate transfer tax	280,516	211,081	111,904	95,218	92,049	141,348	234,686	308,685	363,140	435,857
Business tax	-	-	-	292,780	317,566	347,367	300,165	330,013	462,836	616,319
Energy excise tax	-	-	-	-	-	717	5,925	3,028	-	-
Interest earned on investments	3,591,790	781,676	193,452	96,630	82,470	54,858	47,075	51,874	82,275	231,967
Gain on sale of capital assets	-	-	-	-	14,488	22,877	30,530	11,125	-	1,459,167
Miscellaneous	-	-	-	2,408	-	-	-	-	-	-
Transfers	(50,000)	(500,000)	2,455,595	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(2,731,528)	(200,000)
Total governmental activities	\$ 74,402,933	\$ 69,850,908	\$ 76,148,160	\$ 71,792,364	\$ 73,028,601	\$ 75,882,452	\$ 78,304,826	\$ 82,617,476	\$ 83,626,516	\$ 90,295,836
Business-type activities	1,924,851	445,117	(2,342,023)	281,978	244,214	260,256	239,630	230,659	2,765,400	289,503
Total primary government	\$ 76,327,784	\$ 70,296,025	\$ 73,806,137	\$ 72,074,342	\$ 73,272,815	\$ 76,142,708	\$ 78,544,456	\$ 82,848,135	\$ 86,391,916	\$ 90,585,339
<b>Changes in Net Position</b>										
Governmental activities	\$ 34,976,072	\$ 23,622,857	\$ 14,716,649	\$ 14,909,136	\$ 15,420,078	\$ 18,151,896	\$ 25,852,389	\$ 13,489,056	\$ 8,830,723	\$ 30,200,059
Business-type activities	11,849,658	(325,004)	(1,386,699)	1,089,561	1,288,954	2,049,734	4,983,615	6,192,747	11,297,752	11,642,934
Total primary government	\$ 46,825,730	\$ 23,297,853	\$ 13,329,950	\$ 15,998,697	\$ 16,709,032	\$ 20,201,630	\$ 30,836,004	\$ 19,681,803	\$ 20,128,475	\$ 41,842,993

# PAULDING COUNTY, GEORGIA

## FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Non-spendable fund balance	\$ 433,881	\$ 348,125	\$ 328,649	\$ 369,532	\$ 401,964	\$ 479,709	\$ 515,676	\$ 134,263	\$ 154,717	\$ 130,037
Restricted	-	-	-	351,717	-	-	-	-	-	-
Assigned	879,252	724,303	3,094,253	3,647,117	2,820,546	7,014,545	9,143,060	7,153,172	6,077,143	12,017,200
Unassigned	20,098,938	15,849,241	16,470,220	18,359,367	23,264,808	28,007,092	30,845,409	37,771,468	41,927,160	47,747,071
<b>Total General Fund</b>	<b>\$ 21,412,071</b>	<b>\$ 16,921,669</b>	<b>\$ 19,893,122</b>	<b>\$ 22,727,733</b>	<b>\$ 26,487,318</b>	<b>\$ 35,501,346</b>	<b>\$ 40,504,145</b>	<b>\$ 45,058,903</b>	<b>\$ 48,159,020</b>	<b>\$ 59,894,308</b>
<b>All other governmental funds</b>										
Restricted	23,872,353	30,142,577	31,947,797	35,488,805	39,231,507	40,768,217	40,289,627	42,976,052	49,807,071	44,361,945
Committed	-	-	-	166,972	195,566	190,787	201,105	197,478	180,058	213,677
Assigned fund	25,058,539	4,974,557	5,153,393	733,069	429,034	1,104,093	133,769	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 48,930,892</b>	<b>\$ 35,117,134</b>	<b>\$ 37,101,190</b>	<b>\$ 36,388,846</b>	<b>\$ 39,856,107</b>	<b>\$ 42,063,097</b>	<b>\$ 40,624,501</b>	<b>\$ 43,173,530</b>	<b>\$ 49,987,129</b>	<b>\$ 44,575,622</b>

\*Paulding County implemented GASB 54 in 2011

# PAULDING COUNTY, GEORGIA

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS Last Ten Fiscal Years (modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$ 71,139,378	\$ 69,425,275	\$ 73,507,364	\$ 71,902,947	\$ 72,726,010	\$ 76,420,730	\$ 78,530,992	\$ 83,052,074	\$ 86,457,235	\$ 89,263,548
Licenses and permits	827,043	418,666	314,199	396,477	401,286	583,840	700,449	799,445	866,137	1,035,364
Intergovernmental*	12,539,098	17,994,489	7,556,746	12,863,115	8,602,078	13,438,765	8,478,505	2,745,819	4,058,427	5,163,802
Fines and forfeitures	1,429,305	1,870,675	2,177,006	1,916,401	1,809,874	1,790,623	1,665,816	1,393,119	1,371,176	1,443,550
Charges for services	7,732,736	7,507,272	7,949,596	7,721,805	7,086,883	7,518,179	7,822,728	8,193,060	8,584,244	10,030,752
Investment earnings	3,591,789	781,674	193,451	182,125	158,175	147,622	104,227	92,462	155,505	377,639
Contributions and donations	1,253,773	881,872	469,124	596,635	202,237	357,199	270,244	322,073	1,021,920	338,273
Miscellaneous	525,657	442,094	544,246	314,047	384,871	433,835	349,094	381,653	514,840	582,910
Total revenues	99,038,779	99,322,017	92,711,732	95,893,552	91,371,414	100,690,793	97,922,055	96,979,705	103,029,484	108,235,838
<b>Expenditures</b>										
General government	11,285,677	11,081,126	11,207,834	11,256,783	10,233,219	11,010,598	11,954,367	12,176,378	12,632,078	11,360,379
Judicial	4,850,252	5,171,580	5,045,118	5,008,761	5,005,183	4,927,934	4,978,802	5,321,765	6,122,941	5,861,159
Public Safety	27,502,036	27,550,200	27,534,354	28,182,770	29,174,642	29,683,023	31,055,954	33,174,672	33,815,083	35,872,195
Public works	12,284,573	11,454,071	12,479,067	10,695,703	11,866,358	8,537,966	9,485,961	10,282,390	13,343,685	12,434,833
Health and welfare	1,420,336	1,745,749	1,858,875	1,856,781	1,692,810	1,012,845	1,057,318	1,062,506	1,046,380	1,032,947
Culture and recreation	3,683,992	2,837,411	2,820,172	2,866,307	2,600,661	2,799,616	3,335,714	3,367,942	3,451,854	3,562,865
Housing and development	3,446,918	3,040,188	2,073,949	2,600,816	2,048,471	1,943,792	2,715,439	2,331,184	2,051,360	2,107,320
Capital outlay	78,418,236	47,761,495	19,150,903	22,910,133	13,348,602	18,158,525	26,934,285	18,466,921	12,757,654	22,386,818
Debt service										
Principal	1,935,000	2,450,000	2,545,000	2,395,000	2,545,000	2,970,000	3,470,000	4,155,000	5,130,000	5,340,000
Interest	3,181,795	4,034,357	3,860,850	3,693,609	3,600,576	3,504,287	2,864,914	2,709,634	2,314,268	2,280,938
Issuance costs	-	-	138,064	-	-	-	550,005	328,665	-	-
Intergovernmental	-	-	1,350,696	1,439,814	1,843,534	5,512,556	1,813,713	1,912,651	1,939,884	1,997,490
Total expenditures	148,008,815	117,126,177	90,084,882	92,908,477	83,959,056	90,061,142	100,216,472	95,289,708	94,605,187	104,236,944
Excess (deficiency) of revenues over (under) expenditures	(48,970,036)	(17,804,160)	2,646,850	2,987,075	7,412,358	10,629,651	(2,294,417)	1,689,997	8,424,297	3,998,894
<b>Other financing sources (uses)</b>										
Transfers in	7,860,275	6,960,000	4,990,595	-	-	665,836	436,954	553,237	-	2,058,806
Transfers out	(6,172,500)	(7,460,000)	(2,535,000)	(200,000)	(200,000)	(865,836)	(636,954)	(753,237)	(200,000)	(2,258,806)
Refunding bonds issued	-	-	5,129,938	-	-	-	46,591,069	33,049,000	-	-
Bonds issued	-	-	-	-	-	-	-	-	-	-
Loans issued	-	-	-	-	-	768,490	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	(5,276,874)	-	-	-	(40,562,979)	(27,446,335)	-	-
Sale of capital assets	-	-	-	35,163	14,488	22,877	30,530	11,125	5,540	2,524,887
Total other financing sources (uses)	1,687,775	(500,000)	2,308,659	(164,837)	(185,512)	591,367	5,858,620	5,413,790	(194,460)	2,324,887
<b>Net change in fund balances</b>	<b>\$ (47,282,261)</b>	<b>\$ (18,304,160)</b>	<b>\$ 4,955,509</b>	<b>\$ 2,822,238</b>	<b>\$ 7,226,846</b>	<b>\$ 11,221,018</b>	<b>\$ 3,564,203</b>	<b>\$ 7,103,787</b>	<b>\$ 8,229,837</b>	<b>\$ 6,323,781</b>
Debt service as a percentage of noncapital expenditures	7.47%	10.31%	10.38%	9.75%	9.81%	8.87%	8.66%	9.11%	9.17%	9.46%

\* Intergovernmental revenue varies according to the grants received.

# PAULDING COUNTY, GEORGIA

## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years (in thousands)

Digest Year	Real Property	Privately Owned Public Utilities	Personal and Business	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2007	\$ 3,451,495	\$ 69,459	\$ 825,885	\$ 4,346,839	9.00	\$ 10,867,098
2008	3,622,563	78,043	886,331	4,586,937	9.00	11,467,343
2009	3,334,739	81,707	906,124	4,322,570	10.25	10,806,425
2010	2,660,186	88,174	838,063	3,586,423	11.47	8,966,058
2011	2,401,829	88,174	782,267	3,272,271	11.47	8,180,677
2012	2,139,438	88,174	784,480	3,012,091	13.44	7,530,228
2013	2,159,641	88,138	806,351	3,054,131	13.54	7,635,326
2014	2,545,886	103,722	768,704	3,418,312	12.57	8,545,780
2015	2,965,322	107,620	692,974	3,765,916	11.85	9,414,790
2016	3,218,186	106,898	668,763	3,993,847	11.36	9,984,618

Source: Paulding County Tax Assessors

Note: Property in the county is reassessed annually. The County assesses property at approximately 40 percent of actual value.

A regular \$2,000 Homestead Exemption is allowed on all owner-occupied homes except for purposes of bond tax levies. A special \$4,000 Homestead Exemption (from all state and county ad valorem taxes) is allowed on owner-occupied residences of persons who meet age and income requirements. A special \$10,000 Homestead Exemption is allowed on owner-occupied residences of persons who meet age and income requirements. This exemption applies to all Paulding County school ad valorem taxes except to pay interest on and retire bond indebtedness. Other special exemptions apply as to school ad valorem taxes based on age and income levels which entitle the taxpayer to credits of 50% to 100% of the tax due.

Note: In 2009 Paulding County's property digest began to decline due to the housing market.

# PAULDING COUNTY, GEORGIA

## PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS Last Ten Fiscal Years

Digest Year	Paulding County				Overlapping Rates							Total Direct & Overlapping Rates
	Operating Millage		Debt Service Millage	Fire Tax Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	State of Georgia	City of Dallas	City of Hiram	
	Incorporated	Unincorporated										
2007	6.50	6.50	0.50	2.00	9.00	18.91	2.08	20.99	0.25	3.79	-	34.03
2008	6.50	6.50	0.50	2.00	9.00	18.91	2.96	21.87	0.25	3.79	-	34.91
2009	6.65	6.65	1.60	2.00	10.25	18.91	2.96	21.87	0.25	3.79	-	36.16
2010	7.60	7.60	1.87	2.00	11.47	18.91	2.96	21.87	0.25	3.79	-	37.38
2011	7.60	7.60	1.87	2.00	11.47	18.91	0.00	18.91	0.25	3.79	-	34.42
2012	8.29	8.29	2.05	3.10	13.44	18.91	0.00	18.91	0.20	4.17	-	36.72
2013	8.22	8.22	2.22	3.10	13.54	18.88	0.00	18.88	0.15	4.17	-	36.74
2014	7.25	7.25	2.22	3.10	12.57	18.88	0.00	18.88	0.10	4.17	-	35.72
2015	6.53	6.53	2.22	3.10	11.85	18.88	0.00	18.88	0.05	4.17	-	34.95
2016	6.19	6.19	2.07	3.10	11.36	18.88	0.00	18.88	0.00	4.17	-	34.41

Source: Paulding County Board of Commissioners Minutes

# PAULDING COUNTY, GEORGIA

## PRINCIPAL PROPERTY TAXPAYERS Current Year and Nine Years Ago June 30, 2016

Taxpayer	2017			2008		
	Taxes Levied	Rank	Percentage of Total Tax Levy	Taxes Levied	Rank	Percentage of Total Tax Levy
Greystone Power	\$ 412,010	1	1.00%	\$ 687,225	1	2.18%
Georgia Transmission Corp.	274,274	2	0.67%	\$ 276,700	9	0.88%
IA Hiram Smith L.L.C.	157,592	3	0.38%	408,736	6	1.29%
Norfolk Southern	139,995	4	0.34%	327,550	7	1.04%
Georgia Power Company	123,327	5	0.30%			
City of Atlanta	112,472	6	0.27%	563,732	3	1.79%
BellSouth Communications	109,526	7	0.27%	300,776	8	0.95%
Walmart Real Estate	107,086	8	0.26%	529,484	4	1.68%
Ocean Harris Bridge	107,015	9	0.26%			
Freo Georgia LLC	164,655	10	0.40%			
Atlanta Gas Light						
Jones Co. Ltd.				628,407	2	1.99%
Temco and Associates				438,556	5	1.39%
Inland Container						
New Georgia LLC						
MRP Paulding LLC				246,259	10	0.78%

Source: Paulding County Tax Commissioner

# PAULDING COUNTY, GEORGIA

## PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

Fiscal Year Ending June 30,	Total Tax Levy	Current Tax Collection	Percent of Levy Collected	Collections in Subsequent Years	Total Tax Collections	Total Collections as Percent of Current Levy
2008	\$ 31,572,008	\$ 31,396,979	99.45%	\$ 149,954	\$ 31,546,933	99.91%
2009	32,907,367	32,525,284	98.84%	342,802	32,868,086	99.87%
2010	37,382,099	36,572,301	97.83%	759,411	37,331,712	99.83%
2011	34,436,345	34,274,232	99.53%	110,681	34,384,913	99.80%
2012	31,632,338	30,571,901	96.65%	991,681	31,563,582	99.67%
2013	33,377,150	32,582,693	97.62%	670,637	33,253,330	99.54%
2014	34,080,208	33,383,040	97.95%	630,806	34,013,847	99.16%
2015	37,024,551	36,426,765	98.39%	526,923	36,953,689	99.81%
2016	39,689,214	39,032,168	98.34%	498,225	39,530,393	99.60%
2017	41,203,536	40,678,769	98.73%	-	40,678,769	98.73%

Source: Paulding County Tax Commissioner

# PAULDING COUNTY, GEORGIA

## RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Intergovernmental Payable	Notes Payable	Revenue Bonds	Notes Payable	Intergovernmental Payable			
2008	\$ 90,506,751	\$ -	\$ -	\$ 38,253,822	\$ 419,435	\$ -	\$ 130,717,274	4.54%	\$ 1,022
2009	87,915,141	-	-	52,672,479	258,966	-	142,243,239	3.62%	1,068
2010	85,074,829	-	-	50,137,998	6,829,724	-	143,290,991	3.24%	1,049
2011	82,160,679	-	-	47,072,085	6,438,771	-	136,764,387	2.86%	961
2012	79,387,554	-	-	43,856,877	1,569,321	-	130,173,752	2.66%	907
2013	76,213,797	-	768,490	41,466,200	1,372,790	-	124,911,277	2.36%	863
2014	76,691,519	4,590,000	1,739,559	37,850,544	1,166,964	-	126,723,586	2.26%	862
2015	74,670,176	11,480,000	7,013,559	34,076,056	951,393	-	132,456,184	2.80%	889
2016	70,518,668	13,665,000	-	30,212,710	16,394,166	-	134,625,544	2.68%	884
2017	66,215,000	12,020,305	-	182,964,358	59,556,877	-	324,151,540	6.09%	2,080

Note: Details regarding the County's debt can be found in the notes to the financial statements.  
See the Demographic Statistics for personal income and population data.

# PAULDING COUNTY, GEORGIA

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

Fiscal Year	Population	Assessed Value (thousands)	Gross Bonded Debt	Less: Amount Available in Debt Service Fund	Net Bonded Debt	Ratio of Net bonded Debt to Assessed Value	Net Bonded Debt per Capita
2008	127,906	\$ 4,346,839	\$ 90,506,751	\$ 1,285,973	\$ 89,220,778	2.05%	\$ 698
2009	133,135	4,586,937	87,915,141	1,275,280	86,639,861	1.89%	651
2010	136,655	4,322,570	85,074,829	1,059,728	84,015,101	1.94%	615
2011	142,324	3,586,423	82,160,679	1,313,563	80,847,116	2.25%	568
2012	143,542	3,272,271	79,387,554	1,232,569	78,154,985	2.39%	544
2013	144,800	3,012,091	76,213,737	1,515,862	74,697,875	2.48%	516
2014	146,950	3,054,131	76,691,519	2,146,542	74,544,977	2.44%	507
2015	148,987	3,418,312	74,670,176	3,370,229	71,299,947	2.09%	479
2016	152,238	3,765,916	70,518,668	5,125,839	65,392,829	1.74%	430
2017	155,825	3,993,847	66,215,000	6,096,361	60,118,639	1.51%	386

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

# PAULDING COUNTY, GEORGIA

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2017

Governmental Unit	Debt Outstanding	Estimated* Percentage Applicable	Estimated Share of Overlapping Debt
Direct:			
General Obligation Bonds	\$ 66,215,000	100%	\$ 66,215,000
Intergovernmental Payable	<u>12,020,305</u>	100%	<u>12,020,305</u>
Total Direct	78,235,305		78,235,305
Overlapping:			
Paulding County School District:			
General Obligation Bonds	94,630,000	90%	85,167,000
Capital Leases	<u>301,214</u>	90%	<u>271,093</u>
City of Dallas:			
Intergovernmental Contracts	7,810,000	6%	468,600
GEFA Loans	<u>17,619,407</u>	6%	<u>1,057,164</u>
Total Overlapping	120,360,621		86,963,857
Total Direct and Overlapping	<u>\$ 198,595,926</u>		<u>\$ 165,199,162</u>

\* Estimated percentage applicable is calculated based on assessed property value.

# PAULDING COUNTY, GEORGIA

## LEGAL DEBT MARGIN INFORMATION Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed Value of Property	\$ 4,346,838,804	\$ 4,586,936,931	\$ 4,322,569,651	\$ 3,586,423,135	\$ 3,272,270,626	\$ 3,012,091,356	\$ 3,054,130,546	\$ 3,418,312,210	\$ 3,765,916,177	\$ 3,993,847,069
Less: Special Homestead Exemption	(201,789,303)	(219,424,316)	(220,206,684)	(188,756,893)	(225,191,114)	(224,685,721)	(221,222,794)	(204,932,223)	(216,990,163)	(224,716,729)
Assessed Value for Bond Purposes	\$ 4,145,069,501	\$ 4,367,512,615	\$ 4,102,362,967	\$ 3,397,666,242	\$ 3,047,079,512	\$ 2,787,405,635	\$ 2,832,907,752	\$ 3,213,379,987	\$ 3,548,926,014	\$ 3,769,070,340
Debt Limit - 10% of Assessed Value	\$ 414,506,950	\$ 436,751,262	\$ 410,236,297	\$ 339,766,624	\$ 304,707,951	\$ 278,740,564	\$ 283,290,775	\$ 321,337,999	\$ 354,892,601	\$ 376,907,034
Amount of Debt Applicable to Debt Limit:										
General Obligation Bonds	\$ 86,990,000	\$ 84,540,000	\$ 81,780,000	\$ 79,385,000	\$ 76,840,000	\$ 73,870,000	\$ 76,691,519	\$ 74,670,176	\$ 70,518,668	\$ 66,215,000
Less: Available in Debt Service Fund	(1,285,973)	(1,275,280)	(1,059,728)	(1,313,563)	(1,232,569)	(1,515,862)	(2,146,542)	(3,370,229)	(5,125,839)	(6,096,361)
Net Debt Applicable to Debt Limit	\$ 85,704,027	\$ 83,264,720	\$ 80,720,272	\$ 78,071,437	\$ 75,607,431	\$ 72,354,138	\$ 74,544,977	\$ 71,299,947	\$ 65,392,829	\$ 60,118,639
Legal Debt Margin	\$ 328,802,923	\$ 353,486,542	\$ 329,516,025	\$ 261,695,187	\$ 229,100,520	\$ 206,386,426	\$ 208,745,798	\$ 250,036,052	\$ 289,499,772	\$ 316,786,395
Total net debt applicable to the limit as a percentage of debt limit	20.68%	19.06%	19.68%	22.98%	24.81%	25.96%	26.31%	22.19%	18.43%	15.95%

NOTE: The Constitutional debt limit for direct general obligation tax bonds which may be issued by the Commissioners of Paulding County is 10% of the assessed valuation of taxable property within the County



# PAULDING COUNTY, GEORGIA

## DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income		Unemployment Rate (3)
		(amounts expressed in thousands)	Per Capita Income (2)	
2008	127,906	\$ 2,877,118	\$ 22,494	6.3%
2009	133,135	3,932,675	29,539	10.7%
2010	136,655	4,428,032	32,403	10.8%
2011	142,324	4,773,974	33,543	10.5%
2012	143,542	4,902,246	34,152	8.7%
2013	144,800	5,283,028	36,485	8.3%
2014	146,950	5,596,003	38,081	7.8%
2015	148,987	4,724,825	31,713	5.5%
2016	152,238	5,025,529	33,011	4.8%
2017	155,825	5,324,088	34,167	4.9%

(1) Source: U. S. Census Bureau estimate

(2) Source: Bureau of Economic Accounts

(3) Source: Georgia Department of Labor

# PAULDING COUNTY, GEORGIA

## PRINCIPAL EMPLOYERS Current Year and Nine Years Ago

Employer	2017			2008		
	Employees	Rank	Percentage of Paulding County Employment	Employees	Rank	Percentage of Paulding County Employment
Paulding County Board of Education	3403	1	4.55%	3667	1	5.69%
WellStar Health System Inc	1525	2	2.04%	455	5	0.71%
Paulding County Government	875	3	1.17%	719	2	1.12%
Wal-mart Associates Inc.	700	4	0.94%	702	3	1.09%
Kroger	500	5	0.67%	671	4	1.04%
Publix Super Markets	245	6	0.33%			
Metromont Presstress Company	241	7	0.32%	250	6	0.39%
Learning Bridge	180	8	0.24%			
Target Corporation	160	9	0.21%	198	8	0.31%
Home Depot	155	10	0.21%			
Aiken Grading				200	7	0.31%
Bellsouth Telecommunications						
Jim -N-Nicks				63	10	0.10%
Youth Services Int'l Inc				104	9	0.16%

Source: Georgia Department of Labor  
Number of employees are estimated

# PAULDING COUNTY, GEORGIA

## FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	84	81	77	74	74	74	76	76	75	75
Judicial	70	70	64	62	62	67	76	76	77	77
Public Safety	54	44	47	47	48	49	51	51	54	58
Firefighters	85	112	118	129	129	138	140	140	158	153
Sheriff	268	269	278	268	272	282	276	276	280	294
Public Works	94	88	88	80	80	81	81	81	87	87
Department of Transportation	61	59	53	55	55	58	58	58	63	63
Health and welfare	8	8	8	7	7	8	7	7	8	8
Culture and recreation	39	34	34	35	35	35	38	38	43	43
Housing and development	25	12	13	14	13	14	17	17	17	17
<b>Total</b>	<b>788</b>	<b>777</b>	<b>780</b>	<b>771</b>	<b>775</b>	<b>806</b>	<b>820</b>	<b>820</b>	<b>862</b>	<b>875</b>

Source: Paulding County Finance Department - Budget Documents

# PAULDING COUNTY, GEORGIA

## OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety										
Animal Control cases	6,513	5,898	5,232	4,983	3,868	3,636	3,368	3,241	3,102	3,282
Emergency 911 call volume	203,401	228,760	218,627	218,627	285,813	285,813	286,846	283,326	294,814	327,625
Marshal call volume	986	1,094	831	1,725	3,133	2,834	2,861	2,246	2,259	3,303
Fire call volume	9,140	9,297	9,799	10,379	10,772	10,772	11,865	12,667	13,613	14,740
Sheriff call volume	73,221	71,054	71,925	71,925	64,197	64,405	59,871	57,456	66,907	68,029
Health and welfare										
Senior Programs	1,400	1,092	1,100	1,080	1,085	1,085	1,085	1,282	1,309	1,512
Transit Trips	39,745	42,809	43,450	43,520	43,200	43,200	43,200	33,414	27,965	17,749
Meals on Wheels	19,620	29,107	29,220	29,200	29,150	29,150	29,150	26,009	28,293	18,871
Culture and recreation										
Recreation programs	103	165	115	121	180	180	180	168	209	271
Housing and development										
Permits issued	1,600	812	741	536	474	725	1,086	2,725	3,030	3,612

n/a Information is not available.  
Source: Paulding County Departments

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Buildings	51	51	52	52	52	52	52	52	52	53
Public Safety										
Fire stations	10	10	11	12	12	12	12	13	13	13
Culture and recreation										
Acreage	1014.8	1106.2	1197.6	1197.6	1197.6	1197.6	1204.6	1381.6	1381.6	1381.6
Parks	11	11	11	11	11	11	12	12	12	13

Source: Paulding County Government asset records