

CHEROKEE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018

PREPARED BY:
FINANCE DEPARTMENT

CHEROKEE COUNTY FINANCE DEPARTMENT
1130 BLUFFS PARKWAY- CANTON, GEORGIA 30114

**CHEROKEE COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

TABLE OF CONTENTS

**INTRODUCTORY SECTION
 (Unaudited)**

Letter of Transmittal	i-xv
Organizational Chart	xvi
List of Principal Officials	xvii
Certificate of Achievement for Excellence in Financial Reporting	xviii

FINANCIAL SECTION

Independent Auditor’s Report	1-3
------------------------------------	-----

Management’s Discussion and Analysis (Unaudited)	4-15
--	------

Basic Financial Statements

Government-wide Financial Statements:

Statement of Net Position	16
Statement of Activities	17

Fund Financial Statements:

Balance Sheet-Governmental Funds	18
Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities	20

Proprietary Fund

Statement of Net Position	21
Statement of Revenues, Expenses and Changes in Fund Net Position	22
Statement of Cash Flows	23

Fiduciary Funds

Statement of Fiduciary Assets and Liabilities	24
---	----

Notes to the Basic Financial Statements	25-52
---	-------

Required Supplementary Information

Schedule of Changes in the County’s Net Pension Liability and Related Ratios	53
Schedule of Pension Contributions	54
Schedule of Changes in the County’s Total OPEB Liability and Related Ratios	55
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) General Fund	56-58
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Fire District Fund	59

**CHEROKEE COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Other Supplementary Information

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds	60-62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	63-65
Special Revenue Funds - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	66-79
Capital Projects Funds - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	80,81
Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	82
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds	83-85
Combining Statement of Net Position – Internal Service Funds	86
Combining Statement Revenues, Expenses, and Changes in Net Position – Internal Service Funds	87
Combining Statement of Cash Flows – Internal Service Funds	88
Combining Statements of Changes in Assets and Liabilities – Agency Funds	89,90
Combining Statements of Assets and Liabilities – Agency Funds	91
<i>Development Authority of Cherokee County</i>	
Balance Sheet	92
Statement of Revenues, Expenditures and Changes in Fund Balances	93
<i>Cherokee County Development Authority</i>	
Balance Sheet	94
Statement of Revenues, Expenditures and Changes in Fund Balances	95

**STATISTICAL SECTION
 (Unaudited)**

Financial Trend Information

Net Position by Component.....	96
Changes in Net Position	97
Fund Balances, Governmental Funds	98
Change in Fund Balances, Governmental Funds.....	99
Program Revenues by Function/Program	100

Revenue Capacity Information

Tax Revenues by Source – Governmental Funds	101
Assessed Value and Actual Value of Taxable Property	102
Property Tax Rates – Direct and Overlapping.....	103
Direct and Overlapping Sales Tax Rates	104
Principal Property Taxpayers	105
Property Tax Levies and Collections	106
Total Property Tax Liens (FIFAs)	107

Debt Capacity Information

Ratios of Outstanding Debt by Type	108
Ratios of General Outstanding Debt by Type.....	109
Direct General Obligation and Overlapping General Obligation and Guaranteed Revenue Debt.....	110
Legal Debt Margin Information	111
Pledged Revenue Coverage	112

**CHEROKEE COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Demographic and Economic Information

Demographic and Economic Statistics.....	113
Principal Employers	114

Operating Information

Full-time Equivalent Employees by Function.....	115
Operating Indicators by Function/Program.....	116
Capital Assets by Function.....	117



March 27, 2019

Honorable Harry Johnston, Commission Chairman

Cherokee County Board of Commissioners

And the Citizens of Cherokee County

Gentleman:

State law and local ordinances require that every general purpose local government publish a complete set of audited financial statements each fiscal year. This report, the 2018 Comprehensive Annual Financial Report (CAFR), is published to fulfill that requirement for the fiscal year ended September 30, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in the report, based on a comprehensive framework of internal controls established for this purpose.

Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable assurance that the financial statements are free of any material misstatements.

The report has been prepared in accordance with generally accepted accounting principles, and to the best of our knowledge, the enclosed data is accurate in all material respects and reported in a manner designed to fairly present the financial position and results of operations of Cherokee County.

The County receives financial assistance through various federal grant programs, and is therefore required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the amendments of 1996 and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to this single audit, including the schedule of federal financial assistance, findings, questioned costs, and auditor's reports on the internal control over financial reporting and compliance, are included in a separate report.

Cherokee County's financial statements have been audited by Nichols, Cauley & Associates, LLC a firm of licensed public accountants. Nichols, Cauley & Associates, LLC have issued an unmodified ("clean") opinion on Cherokee County's financial statements for the year ended September 30, 2018. The independent auditor's report is located at the front of 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 complements this letter of transmittal and should be read in conjunction with it.



Introduction

Our History

Cherokee County was formed in 1830 from lands previously held by the Cherokee Indians. The very name of the county honors the proud people who first settled here. Its 6,900 square miles were subsequently divided into 24 other counties. Cherokee first attracted permanent residents through a land lottery while others settled along the Etowah River and dreamed of finding gold, like their Indian predecessors. Canton, the county seat, was named after the city in China, based on the city founders' attempt to establish silk production. The Canton Cotton Mills opened in 1899.



Canton Mill #2
Canton, GA

Canton Cotton Mill #2 was built in 1923, and is located northeast of the city of Canton. The mill was designed and built by C.E. Blank, an architect and builder for Dressler Industries, headquartered in New England.

Canton Cotton Mills, later Canton Textile Mills, was one of the largest manufacturers in the south. "Canton Denim" was known for its high quality and was sought by people throughout the country.

The old cotton mills have recently been transformed into a new apartment community along the Etowah River.

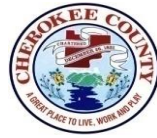
Although cotton was king, the marble finishing business in the north end of the county would prove to be the county's largest revenue producer for a number of years to come.

Georgia Marble Finishing Works was the largest marble company in the area. This white Georgia marble façade was created in 1927 for the Cherokee County courthouse. A much larger courthouse was built in 1994, but the County still uses the beautiful historic courthouse to house smaller departments.

Georgia Marble Company purchased Georgia Marble Finishing works in 1941. Their stone can be found in monuments and public buildings around the world, including New York's Stock Exchange annex, the Lincoln Memorial, and the 24 columns of the U.S. Capitol in Washington, D.C.



historic Cherokee County Courthouse



Cherokee County Present Day

Cherokee County is perfectly located 30 miles north of Atlanta where “Metro Meets the Mountains.” The county is now 434 square miles in area, and with a population of approximately 252,043, it is the seventh largest of Georgia’s 159 counties. When people think of Cherokee County, Georgia, they often think of its rugged beauty and eclectic community. For example, the county boasts over 4,000+/- acres of parks and greenspace. And under the \$90 Million Parks, Recreation, and Greenspace Bond, which was successfully approved by the citizens of Cherokee County on the November 4, 2008 election ballot, funds have been used to improve existing parks and develop parks for active recreation and passive enjoyment.

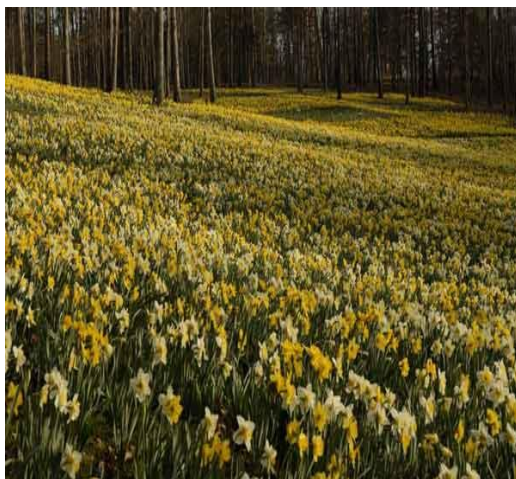
In addition to the county’s natural beauty and recreation, Cherokee County is one of Georgia's most exciting markets. Cherokee County offers a well-educated and well-equipped workforce, and exceptional transportation necessary for sustainable, long-term growth. For professionals and their families, Cherokee County offers a diverse range of housing, impressive healthcare, excellent education, low property taxes, and cultural opportunities necessary for comfortable living and continuous personal growth. There are five major municipalities in Cherokee County: Canton, Woodstock, Ball Ground, Holly Springs, and Waleska.



Cannon Park, Canton



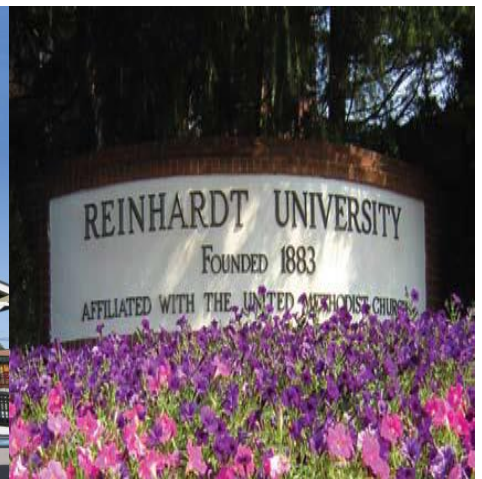
Downtown Woodstock



Gibbs Gardens, Ball Ground



Holly Springs Train Depot & Community Center



Reinhardt University, Waleska



Profile of Government

Cherokee County is governed by the Commission Chairman and a four member Board of Commissioners.

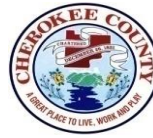
The Board serves as the legislative and policymaking body of the county government. It enacts county ordinances, appropriates funds to conduct county business, and provides policy direction to the administrative staff.

The County Manager works closely with the Board to assist them in developing policies and programs. Overseeing all county employees, the manager is responsible for the efficient ongoing operation of all county services. Cherokee County provides services to approximately 252,043 citizens and 6,000 businesses. Included in these services are traditional county functions such as public safety (sheriff office, fire protection, and emergency/ambulance services), code enforcement, judicial/court services, planning and zoning, business licenses and building permits, road maintenance, parks and recreation, senior services, animal shelter services, and bus transportation.



*Front Row: Commissioner Raymond Gunnin and Chairman L.B. Ahrens, Jr.,
Back Row: Commissioners Scott Gordon, Bob Kovacs, and Steve West.*

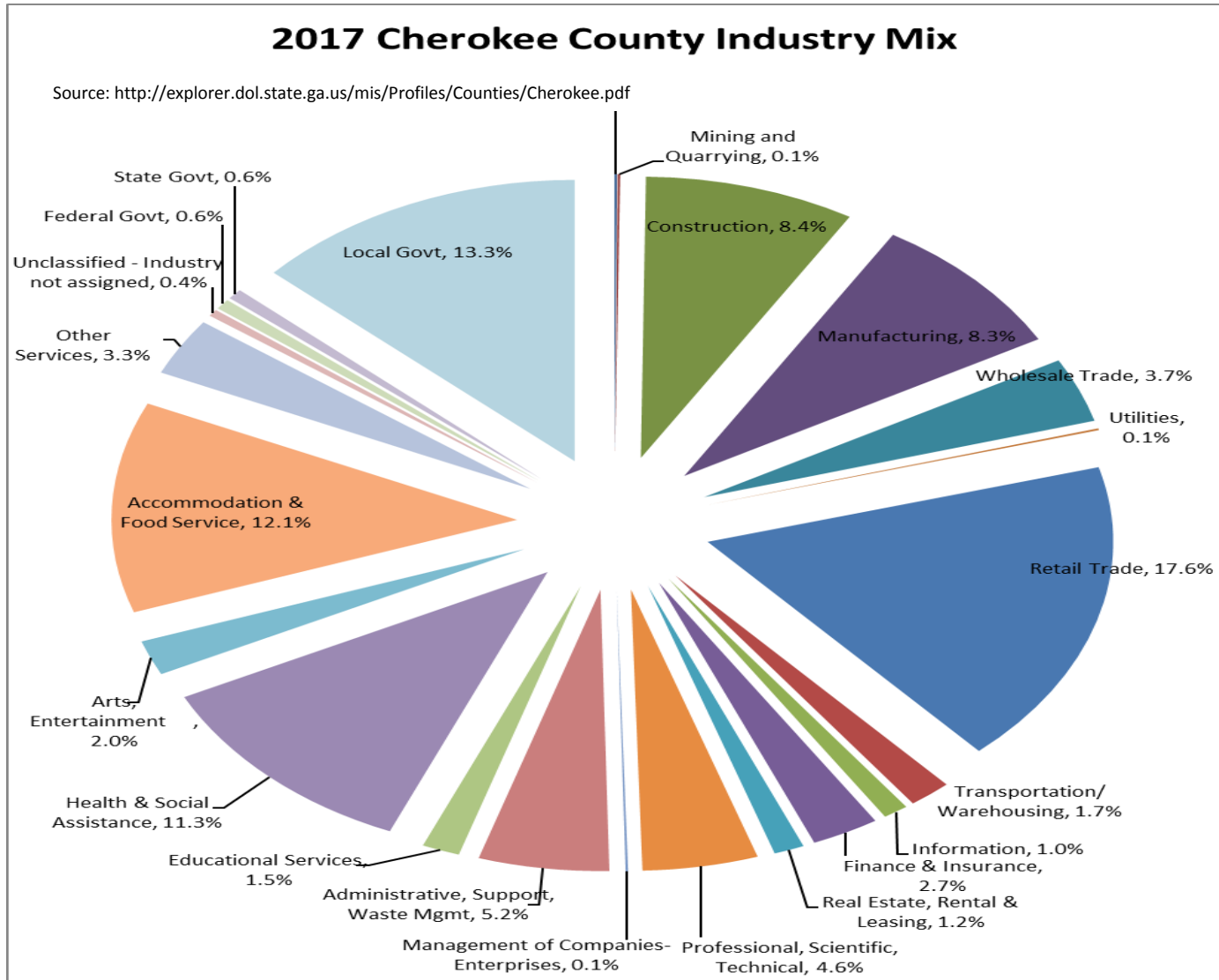
The financial statements, schedules, and statistical tables in this report include all the funds of the primary government that are directly under the control of the Board of Commissioners, as well as its component units. A component unit is a separate legal entity for which the primary government is financially accountable. The Cherokee County Department of Public Health, the Cherokee County Development Authority, the Development Authority of Cherokee County, and the Sequoyah Regional Library System are all included as discretely presented component units in the financial statements.



Local Economy

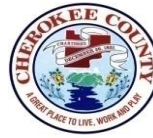
INDUSTRY MIX

Cherokee County's Industry mix is 69% Services, 17% Goods, and 14% Government.



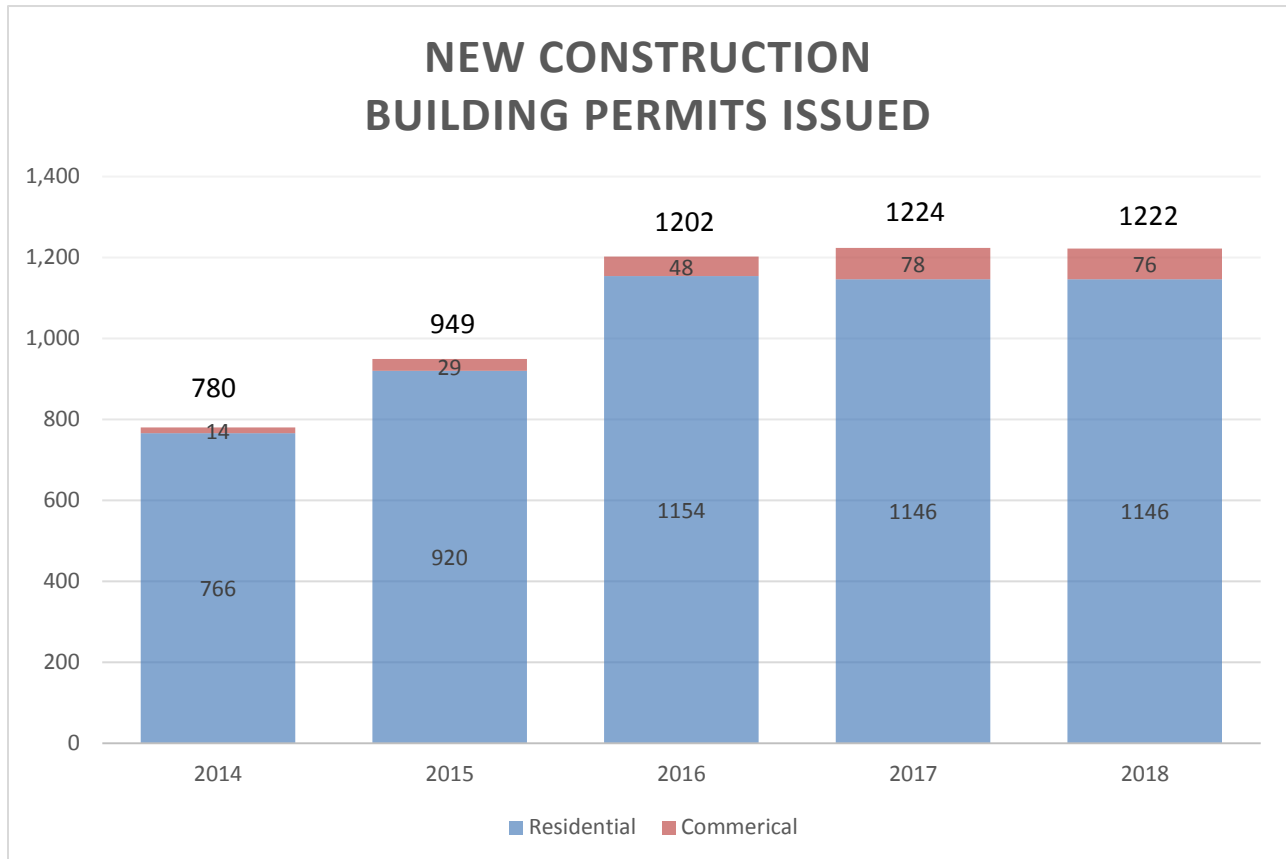
The industry mix was relatively unchanged between 2014 and 2017. Over several years, the most significant change Cherokee County has experienced in its industry mix is the decline in the construction business. Between 2000 and 2017, Cherokee's population grew 77.6%, which created significant construction opportunities. Near the height of Cherokee's growth in 2008, the construction industry represented 13.9% of the mix; however, in 2009 it dropped to 6.3%. In 2017, construction has begun to rebound and increased to 8.4%.

NOTE: At printing of this report the 2018 County Industry Mix had not yet been published so 2017 is being used instead. We anticipate only minor changes when it is published.



NEW CONSTRUCTION BUILDING PERMITS

New construction building permits are a good indicator for the economic outlook for Cherokee County. New construction building permits offer insight into the future value of the tax digest while also measuring future real estate inventory levels. The chart below highlights the growth of new construction in Cherokee County. Although the grow rate is leveling off, there is still considerable growth on an annual basis which translates into a higher property tax digest. In addition, new developments in the county provide construction jobs in the short term, while generating new operational jobs and more visitors (driving more sales tax dollars and new property tax assessments), for the future.



UNEMPLOYMENT

At September 30, 2018, Cherokee County's jobless rate had dropped from 3.4% for the previous year to 2.6%. This was the same as Forsyth County. In 2018, Forsyth County tied Cherokee County as the lowest in the metro-Atlanta region. The statewide unemployment rate was 3.7%, in comparison to 4.3% a year ago. Cherokee County was .8% lower than a year ago. The state of Georgia dropped from 4.3% in 2017 to 3.7% in 2018.



RECENT DEVELOPMENT

Cherokee County Film Activity

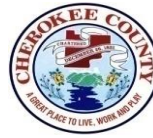
Cherokee County was home to both TV and movie filming projects over the course of 2018. *Diary of a Wimpy Kid* was filmed in Waleska and the fourth film in the series was released in 2018. *Champion* starring Andrew Cheney was filmed at the Dixie Speedway in Woodstock. *Thank You for Your Service* starring Miles Teller and directed by Jason Hall was released October 2017. All three of these films were released during our Fiscal Year 2018.

Netflix is filming a third season of their series *Ozark*, starring Jason Bateman, in Cherokee County. Filming takes place over much of the county but one primary filming location is the former Little River Grill on Lake Allatoona.

Cherokee County has 134 local properties listed on the state’s Reel-Scout database. There has been a 464% increase in film prospects since becoming a Georgia ‘Camera Ready Community’ in 2011.

The Cherokee Office of Economic Development, along with presenting sponsor YANMAR EVO//Center will be hosting the first-ever Cherokee Film Summit in 2019.





Adidas has opened its first robot-driven “Speed factory” in the U.S., which resides in Cherokee County, Georgia. This is the second “Speed factory” to date. The other one is located in Germany and both are operated by Adidas’ strategic partner Oechsler Motion. This automated process, driven by intelligent robotic technology, is designed to be as agile as possible, making footwear in a much faster process than traditional factories and allowing sneaker lines to be adjusted and crafted specifically for the needs of different groups of consumers. The facility is a 74,000 square foot state-of-the-art facility. The factory will create 160 careers.

Deal of the Year

Cherokee County Office of Economic Development received the “Georgia Deal of the Year 2017” for the Adidas “Speed factory.”



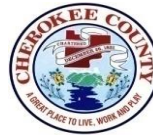
Jaipur Rugs (Cherokee 75 Office Park)

Jaipur Rugs, is one of India’s largest manufacturers of hand knotted rugs. Jaipur Rugs has continued a rich heritage of designing rugs and pillows for homes in more than 40 countries around the world. Jaipur Rugs has invested \$16.2 million in Cherokee County and is leasing approximately 180,000 square feet of the new Cherokee 75 Office Park. Jaipur Rugs estimates the creation of approximately 100 jobs with an average wage of \$52k per year.

New Northside Hospital Medical Facility

In order to address capacity constraints caused by the growing population, Northside Hospital has relocated to a newly constructed hospital on 300 acres near I-575 and GA Hwy 20. Upon opening in mid-2017, the new state-of-the-art, \$286 million, 84-bed facility created hundreds of new healthcare and office jobs in the county. The hospital received the Hospital of the Year Award from the Georgia Alliance of Community Hospitals. During 2018, the hospital just opened a new eighth floor with forty new patient beds.





New and Expanding Businesses

Inalfa Roof Systems

Inalfa Roof Systems is one of the world’s largest suppliers and manufacturers of vehicle roof systems to OEM’s in the automotive industry. Inalfa opened their first location in January of 2014 and began construction of their second location and regional headquarters in Cherokee County. Inalfa has made an investment of \$20.7 million in the new Cherokee 75 business park and is expecting to add approximately 400 jobs. The additional jobs will be in place by 2019.

YanmarEVO//CENTER is home to YANMAR Academy. The Center officially opened November, 2017 and is a multi-purpose showroom, training center and customer experience campus, designed to support dealers, customers and the community. This is a \$23M capital investment of a 50,000 square foot facility that will create 25 careers. Yanmar will be the sight of the inaugural film summit in 2019.



Universal Alloy Corporation

Universal Alloy Corporation, a leading provider of aerospace aluminum extrusions, continues to grow in Cherokee County. The longtime Cherokee County business opened a new facility in Ball Ground in 2017. Universal Alloy was recently honored as one of eight companies worldwide to be recognized and awarded Airbus’s BEST PERFORMER award. On April 16, 2015, Boeing presented Universal Alloy Corporation with a Supplier of the Year award.





TAX DIGEST

From 2003 to 2008, our Tax Digest increased each year by double-digit percentages. However, like most counties, Cherokee County was negatively impacted by the downturn in the economy beginning in 2008, and by 2012 our Tax Digest had decreased 23% as compared to the 2008 peak. Fortunately, our 2018 Tax Digest increased 5.95%, of which 3.69% was new growth. We anticipate the 2019 Digest will increase approximately 7.5% in total, including 4.0% new growth.

CURRENT 2018 TAX DIGEST AND HISTORY OF LEVY							
	2012	2013	2014	2015	2016	2017	2018
REAL	6,246,009,678	6,382,143,754	7,207,313,837	7,920,292,172	8,654,002,944	9,631,169,530	10,371,179,346
PERSONAL	325,003,272	329,863,024	353,938,885	380,908,234	416,085,312	440,936,267	482,207,765
MOTOR VEHICLES	610,288,270	641,593,210	530,574,960	393,947,430	300,355,630	221,656,730	168,958,850
MOBILE HOMES	14,743,880	13,696,480	13,488,200	13,357,414	14,007,920	14,032,720	14,796,578
TIMBER	284,156	871,524	1,527,767	666,872	547,150	794,208	1,366,282
GROSS M&O DIGEST	7,196,329,256	7,368,167,992	8,106,843,649	8,709,172,122	9,384,998,956	10,308,589,455	11,038,508,821
LESS M&O EXEMPTIONS	522,421,889	524,486,775	608,219,193	749,979,861	898,710,672	1,106,624,687	1,289,296,988
NET M&O DIGEST	6,673,907,367	6,843,681,217	7,498,624,456	7,959,192,261	8,486,288,284	9,201,964,768	9,749,211,833
NET M&O DIGEST CHANGE	-7.31%	2.54%	9.57%	6.14%	6.62%	8.43%	5.95%

Profile of County Population 2018

RACE	Cherokee	Georgia	US
White	79.1%	52.8%	60.7%
Black	7.0%	32.2%	13.4%
Hispanic	10.3%	9.6%	18.1%
Asian	2.0%	4.2%	5.8%
Other	1.6%	1.2%	2.0%
Total	100.0%	100.0%	100.0%

EDUCATION (age25+)	Cherokee	Georgia	US
High School Graduates	90.8%	86.3%	87.3%
Bachelor's Degree or Higher	35.7%	29.9%	30.9%

GROWTH	Cherokee	Georgia	US
Population % Change 2010 - 2018	17.6%	8.6%	6.0%

INCOME	Cherokee	Georgia	US
Median Household Income	\$75,399	\$52,977	\$57,652

HOMEOWNERSHIP	Cherokee	Georgia	US
Homeownership Rate	76.4%	63.0%	63.8%

POVERTY	Cherokee	Georgia	US
Persons Below Poverty Level	7.5%	14.9%	12.3%

Source: <http://quickfacts.census.gov>



A strong economy has kept Cherokee County as one of Georgia's fastest growing counties with a 17.6% increase in population from 2010-2018 compared to 8.6% for the state of Georgia and 6.0% for the nation for the same time period. Furthermore, the County is forecast to continue double-digit growth and this forecast growth would lead to even higher levels of capital investment in order to meet the community needs.

Long-Term Financial Planning

Cherokee County has developed a Long-Term Financial Plan (LTFP) for the fiscal years 2018-2022. The LTFP is a proactive approach that assesses and identifies current economic and financial indicators that provide an overall snapshot of the fiscal health of Cherokee County.

The LTFP was built with the 2018 Budget as the foundation for the financial projections. Financial goals and objectives were developed that supported the financial direction outlined in the strategic plan. Forecasting assumptions were then created in order to forecast financial performance while highlighting any potential issues.

The LTFP provides a framework that will ensure that Cherokee County has sufficient and cost-effective funding in order to achieve its long-term objectives. The sound financial condition of the County depends on the ability to balance the demands for service with available financial resources.

The LTFP is a transparent document which will provide the Citizens of Cherokee County a blue print of the alignment of financial capacity with long – term service objectives.

The LTFP consists of a complete strategic financial plan and issue analysis, including all support documents used in developing the LTFP. Financial planning uses forecasts to provide insight into the future financial capacity requirements so that strategies can be developed to achieve long-term goals when considering the service objectives for Cherokee County. The following areas were evaluated in creating the Long-Term Financial Plan:

1. *Financial policies* – The baseline standards for how stewardship over the County's financial resources will be maintained.
2. *Service-level preferences and policy* – A financial plan must be created in the context of the services that the Cherokee County will deliver to its citizens. These may be expressed as qualitative goals and objectives or as quantitative performance measures.
3. *Finance strategies* – Strategies for addressing financial imbalances such as revenue shortfalls or spiraling areas of expense.
4. *Monitoring mechanisms* – Techniques for monitoring progress against financial strategies. Examples include action or project plans and performance measures.



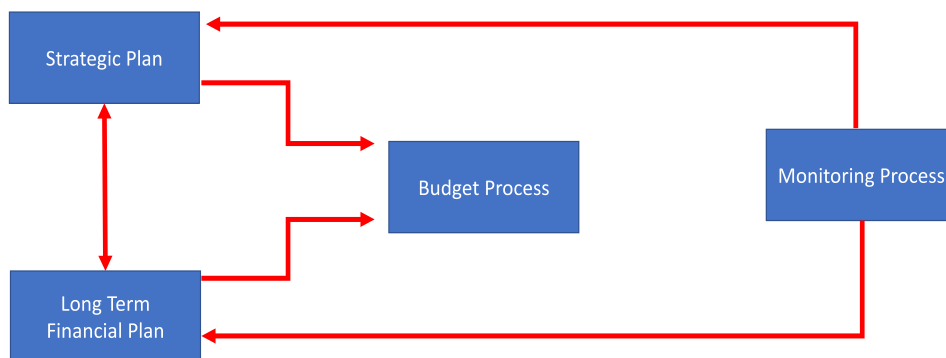
The chart below illustrates how financial planning and strategic planning work together to establish long-term, strategic direction, which then affects the budget process. The budget is used to operationalize strategies called for by the financial plan and strategic plan.

In conjunction with developing the 5 Year LTFP, Cherokee County has developed a 5 year Capital Improvements Plan (CIP). The CIP is the blueprint for planning capital expenditures that will reduce operating costs and help avoid higher replacement costs and unexpected crisis in the future while ensuring the basic health and safety for Cherokee County citizens.

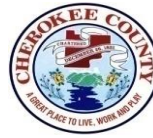
This plan identifies the capital needs of the community over a 5 year period. This plan not only identifies the immediate needs but also seeks to capture longer-term capital needs. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the County. The CIP is the primary document for planning the funding and timing of the needs and priorities that have been approved by The County Board of Commissioners.

The County's philosophy concerning the use of the CIP is that it should be considered as a financial planning tool that lists the County's capital improvement projects, places projects in a priority order, and schedules the projects for funding and implementation.

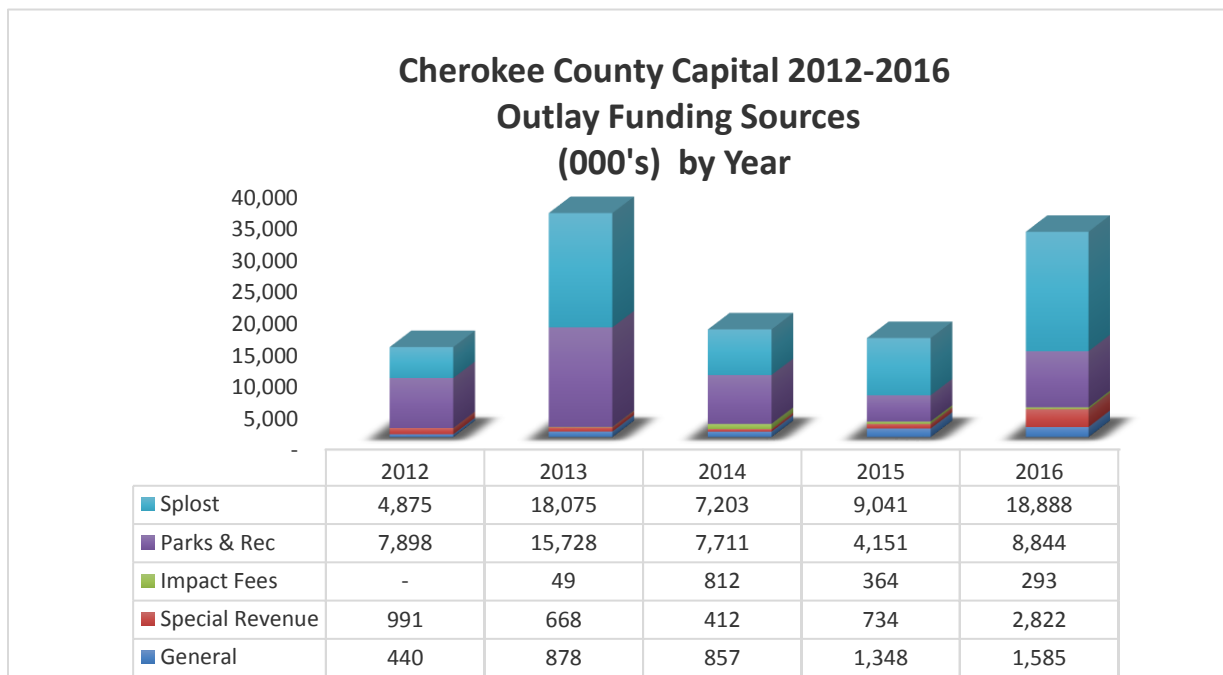
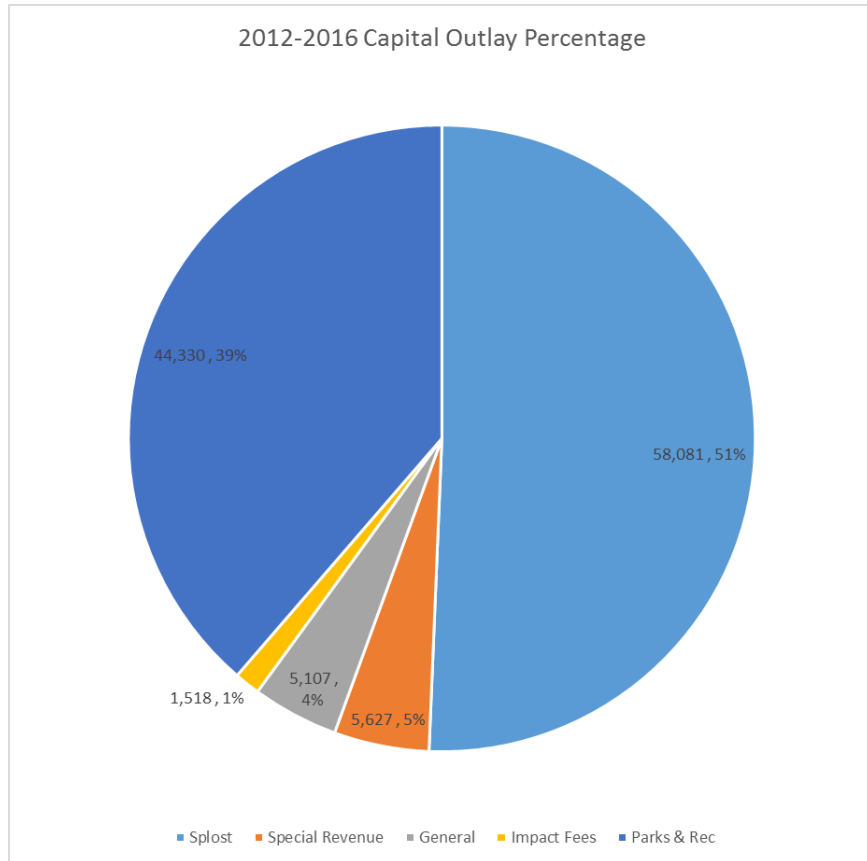
The Complete Planning Framework



A financial plan works with other planning processes to form a complete planning framework



The approval of the 2018 SPLOST Capital Program by an overwhelming 80% of the vote is a testimony to the importance of capital improvements to the citizens of Cherokee County. The CIP links strategic and comprehensive plans with fiscal capacity which in turn will inform the public about the government’s investment in the infrastructure of Cherokee County. The chart highlights the funding sources for the Capital Outlay for Cherokee County for FY2012 – FY2016. SPLOST continues to be the leading source of funding for the Capital Projects in Cherokee County. For the Period FY2012-FY2016, SPLOST accounted for 51% of the funds used to fund Capital projects followed by Parks Bond at 39%. Over the five year period from FY2012 - FY2016, Cherokee County has invested a total of \$114,664,000 in Capital in order to improve the infrastructure and provide top quality services to the citizens of Cherokee County. In 2013 there was SPLOST spending of \$18,075,000 which included \$7,982,514 for roads and bridges and \$6,990,003 for Fire, Police, and Judicial buildings. The Parks & Recreation Bonds accounted for 15,727,546 in 2013 with the largest project being the Aquatic Center and the remaining funds being spent on various parks with the largest distribution to the Canton Park along the Etowah River.





OTHER INFORMATION

Independent Audit Cherokee County requires an annual independent audit of County financial records by a certified public accountant selected by the Board of Commissioners. The accounting firm of Nichols, Cauley & Associates, LLC was selected to fulfill this requirement, and a copy of the auditor's report on the financial statements is included in the financial section of this report.

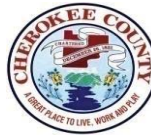
Single Audit As a recipient of federal and state financial assistance, the County also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and internal staff.

As part of the County's annual single audit, required in conformity with provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. Office of Management and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations.

Budgetary Controls The County maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Board of Commissioners. Activities of the general fund, special revenue funds and capital project funds are included in the annual appropriated budget. The official level of county budget control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is the department, function, or activity within each fund. Administrative transfers of appropriations within a department may be authorized by the County Manager to meet unforeseen needs without Commission actions. Transfers of appropriations outside departments or functions are reviewed with the Board of Commissioners prior to approval. The County's budget procedures, together with such procedures for discretely presented component units, are more fully explained in the accompanying notes to the financial statements. The County maintains an encumbrance accounting system as one means of accomplishing budgetary control. Encumbered amounts at year end are carried forward to the ensuing year's budget on a case by case basis.

Awards and Acknowledgements

Cherokee County continues to be recognized in 2017 for excellence by being awarded the following three awards by The Government Finance Officers Association (GFOA).



The Certificate of Achievement for Excellence in Financial Reporting Program – Cherokee County received the CAFR Program Award for the 6th consecutive year in 2018 for the fiscal year ended September 30, 2017. The CAFR award highlights the goal of the County to exhibit transparency and full disclosure in presenting financial reports that are in accordance with Generally Accepted Accounting Principles.



Distinguished Budget Presentation Award Program – Cherokee County received the Distinguished Budget Presentation Awards Program in 2018 for the fiscal year ended September 30, 2017 for the second consecutive year. The Budget Awards Program is given to Governments that prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.



Popular Annual Financial Reporting Award Program - Cherokee County Finance received the PAFR Program Award for the second time in 2018 for the fiscal year ended September 30, 2017. The PAFR is awarded to local governments that extract information from their CAFR to produce a high quality PAFR designed to be readily accessible and easily understandable to the general public.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jimmy Marquis".

Jimmy Marquis
CFO



Cherokee County Government Organizational Chart

Citizens of Cherokee County

Board of Commissioners
L. B. Ahrens, Chairman
Steve West, District 1
Raymond Gunnin, District 2
Bob Kovacs, District 3
K. Scott Gordon, District 4

Other Elected Officials

Blue Ridge Judicial Circuit
Superior Court
N. Jackson Harris, Chief Judge
Ellen McElyea, Superior Court Judge
David Cannon, Jr., Superior Court Judge
Lynn Epps, Court Administrator
Juvenile Court
John Sumner, Juvenile Court Judge
Tony Baker, Juvenile Court Judge
District Attorney's Office
Shannon Wallace, District Attorney

State Court of Cherokee County
W. Alan Jordan, Chief Judge
Dee Morris, State Court Judge
Michelle Homier, State Court Judge
Lynn Epps, Court Administrator
DUI Court Administrator
Solicitors Office
Jessica Moss, Solicitor General

Magistrate Court
James Drane, Chief Judge

Probate Court
Keith Wood, Chief Judge

Clerk of Courts
Patty Baker, Clerk of Courts

Mission
The Cherokee County Board of Commissioners is dedicated to providing a "Superior Quality of Life" for its residents.

OUR GOAL:
To preserve the Beauty, Unique Character, and Desirability of the Community where we live, work, and play.

OUR PROMISE:
Listen to you; Respect your Rights; & Represent you with the highest standards of Ethics and Integrity.

OUR COMMITMENT:
Service Excellence & Continuous Improvement; Accelerate Infrastructure Improvements; State-of-the-art Public Safety facilities, training, and personnel; Fiscal Responsibility & Conservative Planning to maintain lowest tax rates in ARC - Metro Atlanta.

Sheriff
Frank Reynolds

Tax Commissioner
Sonya Little

Coroner
Earl Darby

County Surveyor
Ron Wikle

Boards, Committees and Authorities
Cherokee Office of Economic Development
Development Authority of Cherokee County
Cherokee County Development Authority
Planning Commission
Zoning Board of Appeals
Fire Regulations Appeals Board
Board of Health
Health Department
Environmental Health
Recreation & Parks Advisory Board
Resource Recovery Development Authority
Lake Allatoona Preservation Authority
Cherokee Library Board of Trustees
Board of Tax Assessors
Tax Assessors Office
Board of Equalization
Cherokee Water & Sewerage Authority
Indigent Defense Committee
Indigent Defense Office
Wrecker Services Advisory Board
Cherokee County Airport Authority
Board of Elections & Registration
Elections Superintendent
Region I EMS Advisory Board

Other Partners
Cherokee Arts Council
UGA County Extension Services
Historical Society

County Attorney
Angie Davis
Jarrard & Davis, LLP

County Manager
Jerry W. Cooper
Opie Bowen, Staff Attorney
Bill Wood, Special Projects Manager
Lorrie Keener, Conference Center Manager

County Clerk
Christy Black
Clerk to BOC
Records Management
Open Meetings - Open Records Compliance

Senior Services
Tim Morris, Director
Compliance & Fiscal Affairs
CATS - Public Transportation
Case Management
Homemaker Services
Home Delivered Meals (MOWS)
Information & Assistance

People Resources Center
Lori Thompson, CPO
Benefits
Compensation
Employment
Training
Wellness

Information Systems & Technology
Brenda Flowers, CIO
Administrative Services
Client Support Operations
Application Business Services
Infrastructure Services
Geographic Information Systems (GIS)

County Marshal
Ron Hunton, Chief Marshal
Code Enforcement
Animal Shelter
Animal Control
Emergency Communications Center (E911)
Emergency Management Agency
Recycling-Litter Control

Community Development
Geoff Marton, Director
Engineering
Development Inspections
Public Works
Stormwater Management
Building Department (Inspections/DSC)
Planning & Land Use
Transportation Capital Projects Management

Administrative Services
Stacey Williams, Director
Facilities Management
Financial Services
Procurement
CDBG
Capital Projects Management
Fleet Management

Fire & Emergency Services
Timothy Prather, Fire Chief
Operations (Fire Fighting & EMS)
Logistics
Training
Fire Protective Services

Cherokee Recreation and Parks Agency
Bryan Reynolds, Director
Administration
Athletics
Recreation
Parks Maintenance



CHEROKEE COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2018

Commission Chairman and District Commissioners

L.B. Ahrens, Jr.
Commission Chairman

Steve West
Raymond Gunnin
Bob Kovacs
K. Scott Gordon

District One
District Two
District Three
District Four

Constitutional Officers

Jessica Moss
Solicitor General
Earl W. Darby
Coroner
Sonya Little
Tax Commissioner
Frank Reynolds
Sheriff
W. Alan Jordan
Chief State Court Judge

Allen D. Morris
State Court Judge
Michelle Homier
State Court Judge
John B. Sumner
Presiding Juvenile Court Judge
Tony Baker
Juvenile Court Judge
Keith Wood
Probate Court Judge
Jackson Harris
Chief Superior Court Judge

David Cannon, Jr.
Superior Court Judge
Ellen McElyea
Superior Court Judge
Patty Baker
Clerk of Courts
Shannon Wallace
District Attorney
James Drane
Chief Magistrate Court Judge

County Administration

Jerry W. Cooper
County Manager

Steve Swindell
Tax Assessor
Susan Garcia
Animal Shelter Director
Lori Thompson
Human Resources Director
Christy Black
County Clerk
Jeff Bass
Building Inspections Director
Tim Prather
Fire-Emergency Services Director

Jimmy Marquis
Finance Director
Mike E. Dupuis
Fleet Maintenance Director
Brett Wehs
GIS/Mapping Manager
Tim Morris
Senior Services Director
Charles C. Harden
Roads and Bridges Director
Matt Williams
Property Management Director

Geoff Morton
Public Works Director
Brenda Flowers
CIO / IT Services Director
Kim Stancil
Elections Director
Ron Hunton
County Marshal
Jeff F. Watkins
Community Services Director
Bryan Reynolds
*Cherokee Recreation and
Parks Director*



Government Finance Officers Association

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

Presented to

**Cherokee County
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO



NICHOLS, CAULEY & ASSOCIATES, LLC

1825 Barrett Lakes Blvd, Suite 200
Kennesaw, Georgia 30144
770-422-0598 FAX 678-214-2355
kennesaw@nicholscauley.com

INDEPENDENT AUDITOR'S REPORT

Cherokee County Board of Commissioners
Cherokee County, Georgia
Canton, 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 Cherokee County, Georgia (the County), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The County's 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 controls relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2018, 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.

Emphasis of Matter

As described in Note 18, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, for the year ending September 30, 2018. This standard significantly changes the accounting for the County's total OPEB liability and the related disclosures. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the County's net pension liability and related ratios, the schedule of pension contributions, the schedule of changes in the County's total OPEB liability and related ratios, the General Fund Budgetary Comparison Schedule, and the Fire District Fund Budgetary Comparison Schedule on pages 4-15 and 53-59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Introductory Section, Combining and Individual Fund Statements and Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements.

The Combining and Individual Fund Statements and Schedules and the Schedule of Projects Constructed with Special Local Option Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Statements and Schedules and the Schedule of Projects Constructed with Special Local Option Sales Tax Proceeds are 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 March 20, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Richels, Cauley + Associates, LLC

Kennesaw, Georgia
March 20, 2019

Management's Discussion and Analysis

As management of Cherokee County, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Cherokee County for the fiscal year ended September 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter.

FINANCIAL HIGHLIGHTS

- ❖ **Assets & Liabilities:** The total assets and deferred outflows of Cherokee County were \$1,214,812,298, which exceeded its liabilities and deferred inflows of \$258,232,033. In other words, the assets and deferred outflows were five times greater than liabilities and deferred inflows.
- ❖ **Net Position:** Net position is defined as Total Assets + Deferred Outflows – Total Liabilities – Deferred Inflows. The primary government's total net position decreased .6% from \$961,899,304 to \$956,580,265.
- ❖ **Fund Balances:** As of September 30, 2018, Cherokee County's governmental funds reported combined ending fund balances of \$127,581,405 compared to \$103,919,115 reported in 2017. The net increase of \$23,662,290 was due to the overall increase in the property digest, which was driven by residential and commercial construction. An increase of unspent SPLOST proceeds also contributed to the increase in fund balances.
 - Since we follow a pay-as-you-go philosophy in our SPLOST Funds, we spent significantly less than collected in sales tax revenue, which increased the fund balance by \$17,668,135. The 2012 SPLOST program ended in 2018 while a new SPLOST program began in 2018 and will continue for the next six years. The SPLOST numbers are the combination of all SPLOST funds. The SPLOST fund balance will be carried over into future years while adhering to the project plan for expenditures.
 - \$34,259,743, which is 26.9% of the total fund balance, is available for spending at the government's discretion (unassigned fund balances). This represents a \$4,893,844 increase over the 2017 balance of \$29,365,899, which was unassigned.
 - Cherokee County's General Fund Balance was \$34,561,122. Of this, \$34,259,743 or 99.1% is unassigned and is available for spending at the government's discretion. Unassigned reserves continue to increase over the 2017 when \$29,365,899 was unassigned.
- ❖ **Debt:** Bonds Payable decreased from \$77,100,000 to \$72,185,000. This represents a decrease of \$4,915,000 (6.4%). This decrease is comprised of: a decrease in the balance of the 2009, 2010, 2012, 2014, 2016 Parks, Recreation, Greenspace, and Refunding Bonds due to scheduled payments of bond principal totaling \$4,460,000 and the RRDA Bonds principal payment of \$455,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Cherokee County's basic financial statements. Cherokee 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.

1. Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of Cherokee County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Cherokee County's assets, deferred outflows and liabilities, deferred inflows, 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 Cherokee County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Cherokee County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Cherokee County include general government, public safety, judicial services, health and welfare, highways and streets, culture and recreation and housing and development. The business-type activities of Cherokee County include Emergency Medical Services (ambulance service), and the Cherokee Conference Center.

The government-wide financial statements include not only Cherokee County itself (known as the *primary government*), but also the Cherokee County Board of Health, Cherokee County Development Authority, Development Authority of Cherokee County, and Sequoyah Regional Library, all legally separate entities, for which Cherokee County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

Please reference the index for the location of the government-wide financial statements in this report.

2. 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. Cherokee 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 Cherokee County can be divided into three categories: A. Governmental funds, B. Proprietary funds, and C. Fiduciary funds.

A. Definition of Governmental Funds

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

Because the focus of governmental funds is narrower than that of 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 government'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*.

Cherokee County maintains 27 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 three major funds: General Fund, Fire District Fund, and SPLOST Funds (Special Purpose Local Option Sales Tax). Data for the other 24 governmental funds are combined into a single, aggregated presentation, titled "Other Governmental Funds." Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Cherokee County adopts an annual appropriated budget for its General Fund, as well as all special revenue, proprietary and all other governmental fund types, including capital projects. A budgetary comparison statement has been provided for all of these funds to demonstrate compliance with this budget.

Please reference the index for the location of the basic governmental fund financial statements in this report.

B. Definition of Proprietary Funds

Cherokee County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Cherokee County uses enterprise funds to account for its Emergency Medical Services and Cherokee Conference Center funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Cherokee County's various functions. Cherokee County uses internal service funds to account for its fleet of vehicles and for its employee benefits claims. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Emergency Medical Services and Cherokee Conference Center funds. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, titled "Governmental Activities – Internal Service Funds." Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

Please reference the index for the location of the basic proprietary fund financial statements in this report.

C. Definition of Fiduciary Funds

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

Please reference the index for the location of the basic fiduciary fund financial statements in this report.

D. Fund Balance Procedures Under GASB Statement 54

Prior to 2011 fund balances were designated as either *reserved* or *unreserved*. In accordance with the governmental accounting standard, GASB Statement 54, which became effective in 2011, governmental entities are now required to present fund balance in the following five categories:

- i. *Nonspendable Fund Balance* – non-cash assets such as inventories or prepaid items.
- ii. *Restricted Fund Balance* – funds legally restricted for specific purposes, such as grant funds.

- iii. *Committed Fund Balance* – amounts that can only be used for specific purposes pursuant to a formal resolution of the Board of Commissioners.
- iv. *Assigned Fund Balance* – amounts intended to be used for specific purposes, either by the Board of Commissioners or the Board’s delegate. (For Cherokee County the Board delegated authority to assign balances to the County Manager).
- v. *Unassigned Fund Balance* – residual spendable fund balance after subtracting all above amounts.

3. 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.

4. Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Cherokee County’s progress in funding its obligation to provide pension benefits and OPEB benefits to its employees. Effective October 1, 2014, the County implemented the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, and GASB 71*, which significantly changed the County’s accounting for pension amounts by requiring that the total net pension liability and the deferred inflows and outflows related to the net pension liability be reported in the government-wide financial statements as an adjustment to opening and ending fund balance.

The County and its component units implemented GASB statement 75 “Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension” during fiscal year 2018. Statement No. 75 requires governments providing defined OPEB benefits to recognize their long-term obligation for OPEB benefits as a liability.

Please reference the index for the location of the required supplementary information in this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

1. Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of Cherokee County, assets and deferred outflows (excluding component units) exceeded liabilities and deferred inflows by \$956,580,265 at the close of the most recent fiscal year. Said another way, Cherokee County assets and deferred outflows are five times greater than its liabilities and deferred inflows.

Summary of Assets, Liabilities, and Net Position

	Governmental Fund Activities		Business Activities		Total	
	2018	2017 *	2018	2017 *	2018	2017*
Assets:						
Current and Other Assets	\$ 220,424,739	\$ 197,486,007	\$ 2,745,043	\$ 2,811,537	\$ 223,169,782	\$ 200,297,544
Capital Assets	953,941,983	981,335,718	3,075,471	3,429,582	957,017,454	984,765,300
Total Assets	1,174,366,722	1,178,821,725	5,820,514	6,241,119	1,180,187,236	1,185,062,844
Deferred Outflows	32,713,375	17,844,762	1,911,687	1,157,807	34,625,062	19,002,569
Liabilities:						
Current Liabilities	21,228,800	23,945,404	435,492	392,828	21,664,292	24,338,232
Long Term Liabilities	138,181,564	137,153,666	3,645,761	4,036,474	141,827,325	141,190,140
Total Liabilities & Deferred Inflows	159,410,364	161,099,070	4,081,253	4,429,302	163,491,617	165,528,372
Deferred Inflows	93,799,516	76,026,991	940,900	-	94,740,416	76,026,991
Net Position:						
Net Investment in capital assets	879,625,985	903,927,550	3,075,471	3,429,582	882,701,456	907,357,132
Restricted	91,308,466	72,445,758	-	-	91,308,466	72,445,758
Unrestricted	(17,064,234)	(22,314,619)	(365,423)	(838,779)	(17,429,657)	(23,153,398)
Total Net Position	\$ 953,870,217	\$ 954,058,689	\$ 2,710,048	\$ 2,590,803	\$ 956,580,265	\$ 956,649,492

* As Restated

By far the largest portion of Cherokee County’s net position, \$882,701,456 or 92.3% reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment). Cherokee County uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Cherokee County’s net investment in its capital assets requires that resources needed to repay this debt must be provided from other sources. Capital assets cannot be liquidated in order to reduce these liabilities.

2. Statement of Activities

As compared to 2017, revenue from governmental activities increased \$18,316,656 or 10.0%. The increasing strength of the economy was the main driver of these increases. This difference was not confined to one area; moreover, the increases were in the following three areas:

1. Grant revenue increased \$2.6M in Operating Grants, which was primarily due to an increase in expanding services to existing programs while \$.6M was due to the timing of projects. Donated roads drove the \$5.5 M increase in Capital Grants.
2. Property taxes increased \$4.9M in 2018. This increase was due to both new construction and an increase in property values. The strengthening of the economy and the increase in business and commercial outlets in the County helped Sales taxes to increase \$2.4M.
3. There were also increases in Charges for Services of \$1.5M, Insurance Premium Tax of \$.8M. , and \$.5M in interest revenue.

Summary of Activities

	Governmental Fund Activities		Business Activities		Total	
	2018	2017	2018	2017	2018	2017
Program Revenue:						
Charges for Services	\$ 29,258,732	\$ 27,767,879	\$ 4,995,641	\$ 5,646,540	\$ 34,254,373	\$ 33,414,419
Operating Grants	10,394,030	7,827,795	21,000	21,000	10,415,030	7,848,795
Capital Grants:	14,956,582	9,483,769	34,522	14,121	14,991,104	9,497,890
General Revenue:						
Property Taxes	90,179,813	85,278,009			90,179,813	85,278,009
Alcoholic Beverage Taxes	1,102,518	1,090,198			1,102,518	1,090,198
Franchise Taxes	2,617,895	2,690,800			2,617,895	2,690,800
Sales Taxes	38,959,919	36,606,236			38,959,919	36,606,236
Insurance Premium Taxes	10,029,142	9,300,914			10,029,142	9,300,914
Other Taxes	211,797	214,232			211,797	214,232
Interest	1,036,245	513,058			1,036,245	513,058
Other	1,897,265	1,554,392			1,897,265	1,554,392
TOTAL REVENUES	200,643,938	182,327,282	5,051,163	5,681,661	205,695,101	188,008,943
YOY Change \$	\$ 18,316,656		\$ (630,498)		\$ 17,686,158	
YOY Change %	10.0%		-11.1%		9.4%	
Program Expenses:						
General Government	15,715,319	12,945,417			15,715,319	12,945,417
Judicial	18,369,843	17,268,050			18,369,843	17,268,050
Public Safety	77,095,202	75,658,791			77,095,202	75,658,791
Public Works	65,092,255	63,577,287			65,092,255	63,577,287
Health and Welfare	3,114,939	3,158,570			3,114,939	3,158,570
Culture and Recreation	11,689,724	12,856,023			11,689,724	12,856,023
Housing and Development	4,964,615	5,137,977			4,964,615	5,137,977
Interest	2,544,025	2,454,683			2,544,025	2,454,683
Emergency Medical Services			6,764,789	7,138,412	6,764,789	7,138,412
Conference Center			413,617	482,077	413,617	482,077
TOTAL EXPENSES	198,585,922	193,056,798	7,178,406	7,620,489	205,764,328	200,677,287
Change in Net Position Before Transfers	2,058,016	(10,729,516)	(2,127,243)	(1,938,828)	(69,227)	(12,668,344)
Transfers	(2,246,488)	(1,581,823)	2,246,488	1,581,823	-	-
Changes in Net Position	(188,472)	(12,311,339)	119,245	(357,005)	(69,227)	(12,668,344)
Beginning Net Position	954,058,689	971,241,019	2,590,803	3,326,629	956,649,492	974,567,648
Restatement		(4,870,991)		(378,821)	-	(5,249,812)
Ending Net Position	\$ 953,870,217	\$ 954,058,689	\$ 2,710,048	\$ 2,590,803	\$ 956,580,265	\$ 956,649,492

The effect of the restatements to previously reported changes in net position have not been determined.

Governmental activities expenses increased \$5,529,124 or 2.9% when compared to 2017. While General Government, Judicial, Public Safety, and Public Works all ended the year with increases, Culture and Recreation ended the year with a \$1.2M decrease in expenses when compared to 2017.

The shifts in expenses are highlighted below:

- General Government increased \$2.8M. \$23M of the increase was due to a 3% COLA for all employees.
- There was a \$1.1M increase in Judicial expenses. As in the General Government, employees received a 3% COLA while increased legal costs in Indigent Defense and Juvenile Court increased \$143k.
- Public Safety expenses increased \$1.4M over 2017. The Fire Department added 40 new positions to operate newly built and upgraded fire stations. The Sheriff's Office also added 16 new positions while also incurring \$.5M increase in inmate medical costs.
- Public Works increased expenses \$1.5M.

- Culture and Recreation decreased expenses \$1.2M in 2018. In 2008 the voters approved \$90M for improvements in parks and greenspace. All projects that were funded by the Parks, Recreation, and Greenspace Bond proceeds have now been completed and the funds have been depleted.

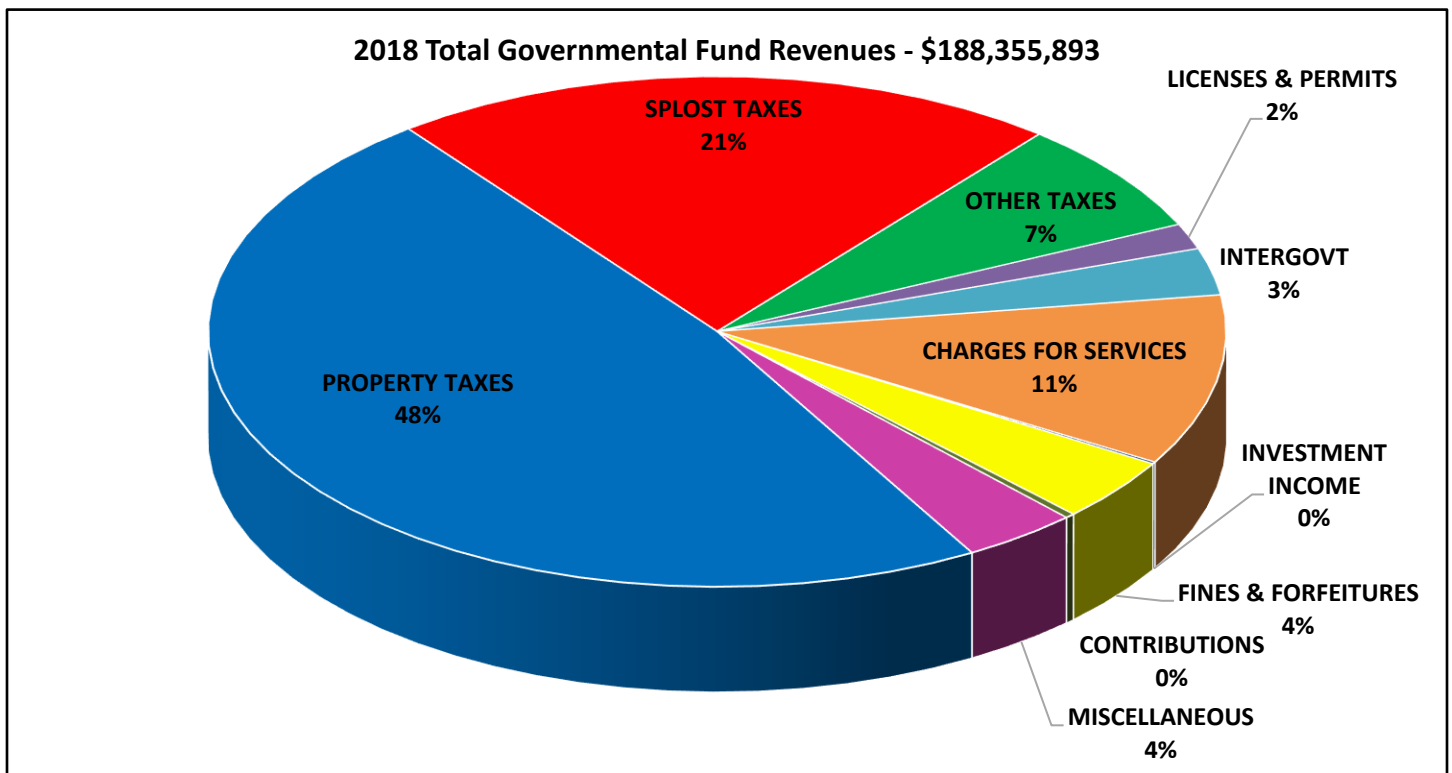
FUND FINANCIAL STATEMENT ANALYSIS

As noted earlier, Cherokee County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of Cherokee County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Cherokee 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.

1. Revenues

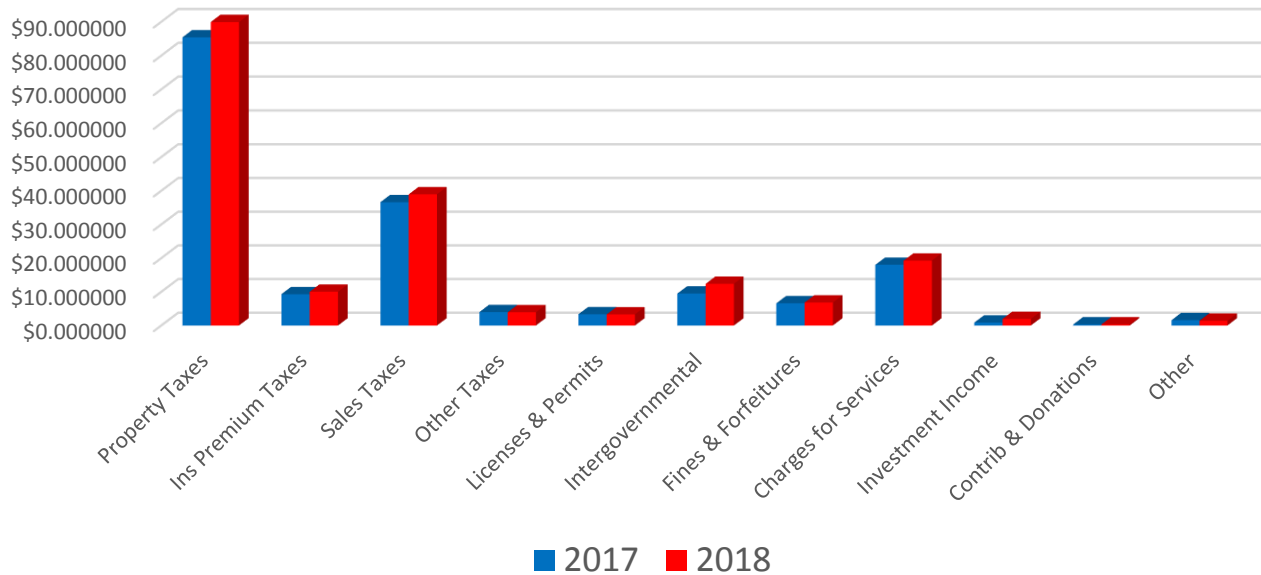
Revenues for Cherokee County’s governmental funds in 2018 totaled \$188,355,893.

The majority of funding was generated from taxes of \$142,848,675, which is comprised of property taxes of \$89,927,404, sales taxes of \$38,959,919, insurance premium taxes of \$10,029,142, alcohol taxes of \$1,102,518 and other miscellaneous taxes of \$2,829,692.



Total revenues increased \$12,761,119 from \$175,594,774 in 2017 to \$188,355,893 in 2018. There were several factors contributing to this net variance:

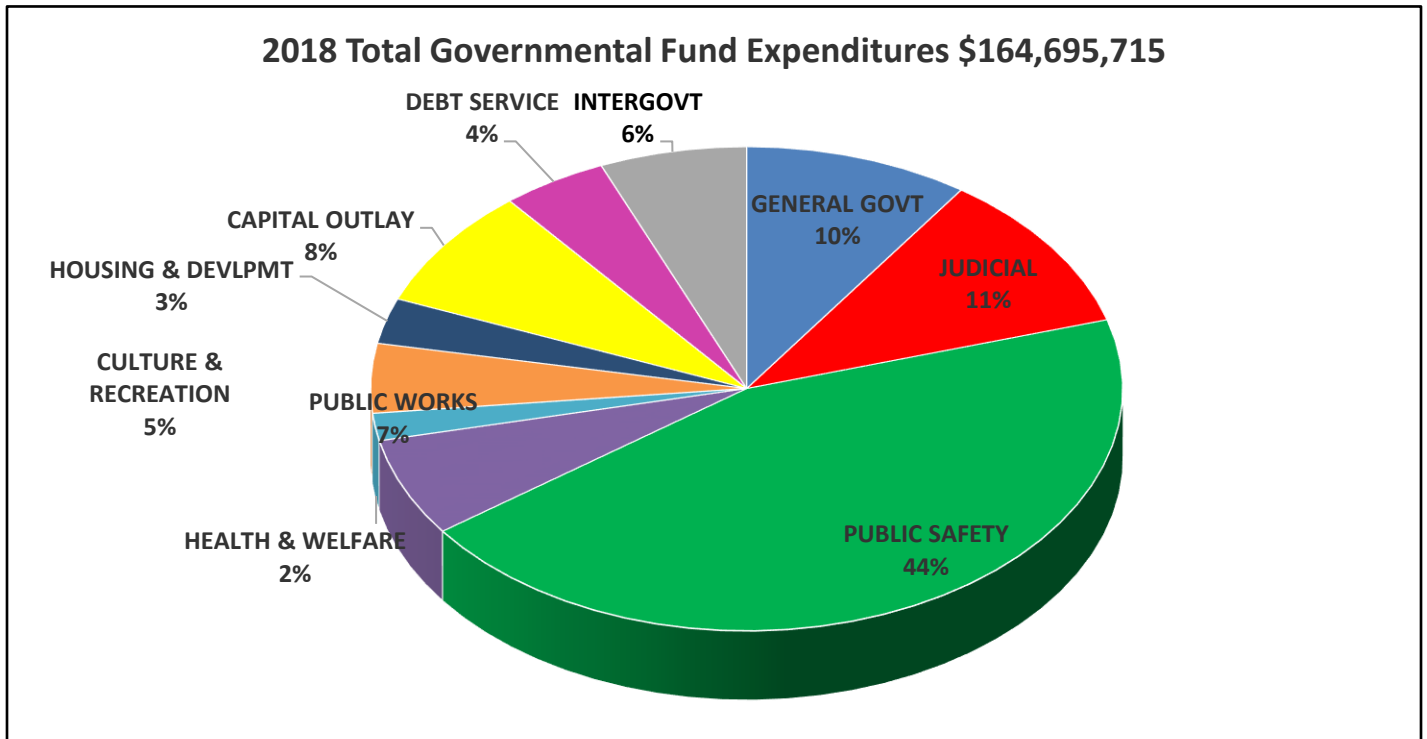
Total Governmental Revenues 2017 (\$175.6M) v 2018 (\$188.4M)



- Revenue from Property Taxes increased \$4,521,315.
- The County did completely rollback millage rates in 2018. The increase in the property taxes was due to the 2018 Tax Digest increasing 5.95% of which 3.69% was new growth.
- Sales taxes increased \$2,353,683 from \$36,606,236 in 2017 to \$38,959,919 in 2018. With the implementation of the new TAVT tax in 2013, vehicle sales no longer generate sales tax, causing a drain on our sales tax dollars. However, sales tax had been steadily increasing before the implementation of the new TAVT tax. In addition, in July 2013 the Outlet Shoppes of Atlanta opened in Woodstock, and Cabela’s opened in August 2014. With the growing economy many other businesses have opened, thus increasing the sales tax revenue.
- Intergovernmental revenue increased from \$9,498,046 in 2017 to \$12,388,444 in 2018. The largest portion of this increase was due to an IGA between Cherokee County and the City of Canton for fire protection that is provided by The Cherokee County Fire Department to the citizens of Canton. \$1,173,160 represents fees paid by the City of Canton to Cherokee County for Fire Protection.
- The Insurance Premium tax increased from \$9,300,914 in 2017 to \$10,029,142 in 2018. This is a tax collected by the state on insurance policies.

2. Expenditures

Governmental expenditures totaled \$164,695,715. Of this total, 44.6% was required to support public safety.



As compared to 2017, governmental fund expenditures decreased \$12,700,467, or approximately 7.16%. Although the end-result was a decrease in expenditures, General Government, Judicial, Public Safety, and Public Works all had increases. Capital Outlay had a decrease of \$17,843,614. Below is the explanation:

- General Government increased expenditures \$3.6M over 2017. \$2.3M of this was in payroll. Mid-year 2017 the County brought the custodial staff in as County Employees. Having these employees for the entire year in 2018 and providing all County employees a 3% COLA increased salaries \$.5M. The County also paid an additional \$1.8M to the Defined Benefit Plan. The County purchased a new telephone system that added \$.7M to the expenditures.
- Expenditures increased \$949,481 in the Judicial departments. \$507,278 was due to the 3% COLA. There was also an increase in Indigent Defense of \$115,274.
- Public Safety increased spending \$3,056,296. All employees received a 3% COLA increase. The Fire Department added 40 new positions to staff new and upgraded fire stations that became operational at the end of 2017. The Sheriff's Office added 16 new positions. The cost of the Sheriff upgrading the medical service contract for the residents at the Adult Detention Facility was \$5.M. This change in the medical provider helped the Sheriff's Office receive the ACA award and thus is now a Triple Crown Agency in the State of Georgia.
- The expenditures in Public Works increased \$1,494,512 over 2017. \$.8M of the increase was in payroll. Capital Outlay increased \$.3M.
- All of the increases in expenditures listed above were offset by the drop in Capital Outlay expenditures. The decrease of \$17,843,614 over 2017 was driven by two factors. The Parks Bond proceeds have been completely

spent. The 2012 SPLOST ended in 2018 while the new 2018 SPLOST began collections but had minimal expenditures. The balance of the 2012 SPLOST is only for specific projects and due to timing, those projects are still in process.

3. Fund Balance

The General Fund balance increased by \$4,892,115 and the SPLOST Fund balance increased by \$17,668,135, the total of Cherokee County's governmental funds reported combined ending fund balances of \$127,581,405, a net increase of \$23,051,544 from the prior year. The reason for the increase in the General Fund is an increase in most revenue sources. The increase in SPLOST fund balance is due to the timing of project expenditures. The 2012 SPLOST ended 6/30/18 and the new 2018 SPLOST began 7/1/18. The new 2018 SPLOST is building a balance as collections are being received at a higher rate than outgoing expenditures.

The General Fund is the chief operating fund of Cherokee County. At the end of the current fiscal year, the total fund balance of the General Fund was \$34,561,122 of which \$34,259,743, or 99.1%, represents the *unassigned* portion. As a measure of the General Fund's liquidity, it is useful to compare the unassigned fund balance to total funding uses; the unassigned fund balance represents 39.6% of General Fund expenditures and transfers to other funds.

The Fire District Fund is another major fund of the County that is primarily supported by property taxes. At year-end, the total fund balance of this fund was \$6,626,386, which was \$647,692 lower than the 2017 balance. The decrease was primarily driven by an Inter fund transfer of \$2.1M to the SPLOST 2012 fund for building a new fire station in Canton.

At year-end, the total fund balance of the SPLOST Funds had grown from \$49,347,087 to \$67,015,222. The SPLOST Funds added \$17,668,135 to the fund balance. The increase in the fund balance is due to a timing issue that is created by sales tax receipts out pacing project expenditures. All funds are classified as restricted or nonspendable. As the fund collects sales tax revenue each month, if it is not spent in the current year, the balance will accumulate and carryforward so the projects can be completed in future years.

The Recreation Bond Fund accounts for the voter approved bond proceeds used to invest \$90M in recreation, parks, and greenspace. This fund was once a major fund but the fund balance at the end of 2018 is \$230,888. All major projects were completed in 2018. The fund balance is restricted only to the approved projects included in the 2008 referendum.

4. General Fund Budgetary Highlights

The original budget for the General Fund expenditures was \$80,313,604 but was amended by \$2,459,900 to \$82,773,504. Two budget amendments accounted for 92% of the total budget amendments.

1. An additional \$1.5M was added to the Defined Benefit Plan
2. The recording of the new telephone system as an asset for \$.6M

CAPITAL ASSET AND DEBT ANALYSIS

1. Capital Assets

As of September 30, 2018, Cherokee County's net investment in capital assets for its governmental activities totaled \$953,941,983. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges. The total of these capital assets decreased \$27,393,735 or 3%, as compared to FY2017. This is not unusual; often the capital assets decrease because the annual depreciation expense is greater than new purchases and construction.

Due to budget constraints, major capital asset additions were limited mainly to SPLOST and Parks Bond funding and included the following:

- New Sheriff and Marshal vehicles
- Completed construction of the Animal Shelter Intake Building
- Purchased E-911 Radio System
- Completed E-911 Back-up Center
- Completion of one fire station
- Remodeled one fire station
- Machinery and Vehicles for Public Works and Parks
- Various road improvements
- Various Parks Bond construction including both new development and renovations

Additional information on Cherokee County's capital assets can be found in Note 6 of this report

2. Long-Term Debt

At the end of the current fiscal year, Cherokee County had total long-term bonded debt outstanding of \$72,185,000.

Of this debt:

- \$10,825,000 is debt issued by the Resource Recovery Development Authority (RRDA), a blended component unit of the County. When this debt was issued, it was expected to be covered by the third party operator and lessee of the recycling facility; however, it was guaranteed by the County's pledge of up to one mil to cover the annual debt service payments if the lessee defaulted. In 2012, the County was forced to cancel the lease due to the operator's inability to meet its obligations. The County has not been required to increase the millage rate to cover the debt service. However, if it did, the required increase equivalent to the annual debt service would be only 0.15 mils. During 2015, the County signed a contract with Chris Cowart Properties for a lease-purchase of the property. We now receive \$142,244 per year for the property. In 2017 the County paid \$4M toward the principal

of this debt, thus lowering the interest paid each year and shortening the number of years until it will be completely paid.

- \$61,360,000 is supported by a separate bond millage rate of 0.581 mills. Voters approved this debt in 2008 for investment in parks, recreation, and greenspace.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for Cherokee County is \$1,037,117,634; with outstanding debt of \$72,185,000, we are significantly under the legal limit (less than 1% rather than 10%).

Cherokee County's long term bonded debt decreased \$4,915,000. \$4,460,000 was paid from the yearly principal payments for the Parks Bonds and \$455,000 for the RRDA bond. The County holds a rating of "Aa2" from Moody's Rating Agency and a "AA+" from Standard & Poor's Rating agency.

Additional information on Cherokee County's long-term debt can be found in Note 7 of this report.

STATUS OF CHEROKEE COUNTY'S ECONOMY

- As of September 30, 2018, the unemployment rate for Cherokee County was 2.6%, which was lower than the state rate of 3.7%. Cherokee County was .6% lower than a year ago. The state of Georgia dropped from 4.3% in 2017 to 3.7% in 2018.
- New construction building permits are a good indicator for the economic outlook for Cherokee County. New construction building permits offer insight into the future value of the tax digest while also measuring future real estate inventory levels. Although the grow rate is leveling off, there is still considerable growth with over 1200 new building permits issued on an annual basis which translates into a higher property tax digest. In addition, new developments in the county provide construction jobs in the short term, while generating new operational jobs and more visitors (driving more sales tax dollars and new property tax assessments), for the future.
- Sales tax revenues increased \$2,353,683 or 6.4% over 2017. We consider this extremely good news because in 2013, when the TAVT tax eliminated sales tax on motor vehicle purchases, we actually could have suffered a drop in revenues. The opening of the Outlet Shoppes of Atlanta in 2013 and Cabela's in 2014 have helped to offset this potential drop in revenue and has been a catalyst for many more shops and businesses to open in the County. Now there are many new businesses open and many are now being constructed and each year the sales tax revenues increase.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Cherokee 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 information should be addressed to the Finance Department, Cherokee County Board of Commissioners, 1130 Bluffs Parkway, Canton, Georgia, 30114.

Cherokee County, Georgia
Statement of Net Position
September 30, 2018

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Cherokee County Development Authority	Development Authority of Cherokee County	Library
Assets							
Cash and cash equivalents	\$ 33,239,051	\$ 1,687,037	\$ 34,926,088	\$ 3,016,193	\$ 454,876	\$ 1,993,078	\$ 1,853,682
Investments	-	-	-	249,840	-	-	-
Property taxes receivable	75,195,289	-	75,195,289	-	-	-	-
Accounts receivable	13,262,502	1,051,619	14,314,121	279,378	-	19,710	56,095
Due from other governments	4,251,316	-	4,251,316	1,480,609	-	-	160,085
Internal balances	-	-	-	-	-	-	-
Inventory	674,403	-	674,403	-	-	-	-
Prepaid items	590,083	6,387	596,470	123,313	-	7,195	44,139
Restricted cash and cash equivalents	92,955,511	-	92,955,511	-	-	-	304,708
Restricted investments	256,584	-	256,584	-	-	-	-
Capital assets, non-depreciable	291,670,428	-	291,670,428	-	732,623	5,733,609	1,119,451
Capital assets, depreciable (net of accumulated depreciation)	662,271,555	3,075,471	665,347,026	452,344	-	678,015	5,448,910
Total assets	1,174,366,722	5,820,514	1,180,187,236	5,601,677	1,187,499	8,431,607	8,987,070
Deferred Outflows of Resources							
Deferred outflows relating to pension	22,689,230	1,169,430	23,858,660	2,001,148	-	-	563,984
Deferred outflows relating to OPEB	10,024,145	742,257	10,766,402	1,686,287	-	-	351,240
Total Deferred Outflows of Resources	32,713,375	1,911,687	34,625,062	3,687,435	-	-	915,224
Liabilities							
Current Liabilities							
Accounts payable	5,931,268	107,649	6,038,917	367,093	-	1,440	93,036
Accrued liabilities	4,827,623	135,709	4,963,332	-	274	1,844	14,455
Due to other governments	834,534	-	834,534	270,543	-	-	-
Noncurrent liabilities							
Due within one year	9,635,375	192,134	9,827,509	277,503	-	-	13,707
Due in more than one year	138,181,564	3,645,761	141,827,325	15,812,682	-	-	6,322,309
Total Liabilities	159,410,364	4,081,253	163,491,617	16,727,821	274	3,284	6,443,507
Deferred Inflows of Resources							
Deferred revenue-advance registration fees	519,371	-	519,371	-	-	-	-
Deferred revenue-property taxes	79,278,851	-	79,278,851	-	-	-	-
Deferred inflows relating to pension	4,259,038	219,516	4,478,554	21,080	-	-	83,548
Deferred inflows relating to OPEB	9,742,256	721,384	10,463,640	695,075	-	-	253,110
Total Deferred Inflows of Resources	93,799,516	940,900	94,740,416	716,155	-	-	336,658
Net Position							
Net investment in capital assets	879,625,985	3,075,471	882,701,456	452,344	732,623	6,411,624	6,568,361
Restricted for:							
Law library operations	541,706	-	541,706	-	-	-	4,061
Senior services	268,212	-	268,212	-	-	-	-
Public safety	138,229	-	138,229	-	-	-	-
Court services	1,656,893	-	1,656,893	-	-	-	-
SPLOST projects	67,015,222	-	67,015,222	-	-	-	293,222
Grant activities	535,060	-	535,060	-	-	-	-
Jail operation and construction	954,356	-	954,356	-	-	-	-
E911 operations	3,119,574	-	3,119,574	-	-	-	-
Health and welfare	329,753	-	329,753	-	-	-	-
Debt service	1,110,630	-	1,110,630	-	-	-	-
Impact fees	9,012,445	-	9,012,445	-	-	-	-
Fire protection services	6,626,386	-	6,626,386	-	-	-	-
Public health programs	-	-	-	1,908,932	-	-	-
Unrestricted (deficit)	(17,064,234)	(365,423)	(17,429,657)	(10,516,140)	454,602	2,016,699	(3,743,515)
Total Net Position	\$ 953,870,217	\$ 2,710,048	\$ 956,580,265	\$ (8,154,864)	\$ 1,187,225	\$ 8,428,323	\$ 3,122,129

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Activities
For the Year Ended September 30, 2018

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position								
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units					
					Governmental Activities	Business-type Activities	Total	Department of Public Health	Cherokee County Development Authority	Development Authority of Cherokee County	Library		
Primary Government													
Governmental Activities													
General government	\$ 15,715,319	\$ 8,392,216	\$ 279,602	\$ -	\$ (7,043,501)	\$ -	\$ (7,043,501)						
Judicial	18,369,843	6,640,444	1,495,356	-	(10,234,043)	-	(10,234,043)						
Public safety	77,095,202	7,086,267	5,893,511	-	(64,115,424)	-	(64,115,424)						
Public works	65,092,255	4,050,318	6,629	14,956,582	(46,078,726)	-	(46,078,726)						
Health and welfare	3,114,939	447,115	1,304,417	-	(1,363,407)	-	(1,363,407)						
Culture and recreation	11,689,724	2,642,372	45,000	-	(9,002,352)	-	(9,002,352)						
Housing and development	4,964,615	-	1,369,515	-	(3,595,100)	-	(3,595,100)						
Interest and fiscal charges	2,544,025	-	-	-	(2,544,025)	-	(2,544,025)						
Total Governmental Activities	198,585,922	29,258,732	10,394,030	14,956,582	(143,976,578)	-	(143,976,578)						
Business-type Activities													
Emergency medical services	6,764,789	4,701,126	-	34,522	-	(2,029,141)	(2,029,141)						
Conference center	413,617	294,515	21,000	-	-	(98,102)	(98,102)						
Total Business-type Activities	7,178,406	4,995,641	21,000	34,522	-	(2,127,243)	(2,127,243)						
Total Primary Government	\$ 205,764,328	\$ 34,254,373	\$ 10,415,030	\$ 14,991,104	(143,976,578)	(2,127,243)	(146,103,821)						
Component Unit													
Department of Public Health	\$ 15,686,132	\$ 3,502,425	\$ 10,737,450	\$ -			\$ (1,446,257)	\$ -	\$ -	\$ -			
Cherokee County Development Authority	828,269	78,177	-	-			-	(750,092)	-	-			
Development Authority of Cherokee County	1,035,677	38,000	1,007,089	806,880			-	-	816,292	-			
Library	5,816,409	251,978	1,687,454	1,047,527			-	-	-	-		(2,829,450)	
	\$ 23,366,487	\$ 3,870,580	\$ 13,431,993	\$ 1,854,407			(1,446,257)	(750,092)	816,292	(2,829,450)			
General Revenues													
Property taxes					90,179,813	-	90,179,813	-	-	-			
Alcoholic beverage taxes					1,102,518	-	1,102,518	-	-	-			
Franchise taxes					2,617,895	-	2,617,895	-	-	-			
Sales taxes					38,959,919	-	38,959,919	-	-	-			
Insurance premium taxes					10,029,142	-	10,029,142	-	-	-			
Other taxes					211,797	-	211,797	-	-	-			
Miscellaneous					1,769,508	-	1,769,508	2,861,234	-	-		2,923,375	
Unrestricted investment earnings					1,036,245	-	1,036,245	-	727	832		2,930	
Gain on sale of capital assets					127,757	-	127,757	-	-	-		-	
Special item - discharge of payable to primary government					-	-	-	-	4,404,780	-		-	
Transfers					(2,246,488)	2,246,488	-	-	-	-		-	
Total General Revenues					143,788,106	2,246,488	146,034,594	2,861,234	4,405,507	832		2,926,305	
Change in Net Position					(188,472)	119,245	(69,227)	1,414,977	3,655,415	817,124		96,855	
Net Position Beginning of Year, before Restatement					958,929,680	2,969,624	961,899,304	(2,913,918)	(1,802,197)	7,611,199		6,132,444	
Restatement					(4,870,991)	(378,821)	(5,249,812)	(6,655,923)	(665,993)	-		(3,107,170)	
Net Position Beginning of Year, after Restatement					954,058,689	2,590,803	956,649,492	(9,569,841)	(2,468,190)	7,611,199		3,025,274	
Net Position End of Year					\$ 953,870,217	\$ 2,710,048	\$ 956,580,265	\$ (8,154,864)	\$ 1,187,225	\$ 8,428,323		\$ 3,122,129	

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Balance Sheet
Governmental Funds
September 30, 2018

	General Fund	Fire District Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 29,029,937	\$ 8,466,829	\$ 67,785,565	\$ 18,906,806	\$ 124,189,137
Investments	-	-	-	256,584	256,584
Property taxes receivable, net	48,457,835	21,771,596	-	4,965,858	75,195,289
Accounts receivable, net	11,200,549	17,375	347,225	1,386,217	12,951,366
Due from other governments	105,609	8,989	3,101,224	1,035,494	4,251,316
Due from other funds	239,172	-	-	-	239,172
Inventory	-	469,441	-	-	469,441
Prepaid items	301,379	24,523	492	263,302	589,696
Total assets	\$ 89,334,481	\$ 30,758,753	\$ 71,234,506	\$ 26,814,261	\$ 218,142,001
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 935,612	\$ 641,983	\$ 3,282,204	\$ 545,858	\$ 5,405,657
Accrued liabilities	2,427,288	430,006	102,546	975,092	3,934,932
Due to other funds	-	-	-	123,377	123,377
Due to other governments	-	-	834,534	-	834,534
Total liabilities	3,362,900	1,071,989	4,219,284	1,644,327	10,298,500
Deferred Inflows of Resources					
Unearned revenue-advance registration fees	-	-	-	519,371	519,371
Unavailable revenue-property taxes	51,410,459	23,060,378	-	5,271,888	79,742,725
Total deferred inflows of resources	51,410,459	23,060,378	-	5,791,259	80,262,096
Fund Balances					
Nonspendable:					
Prepaid items	301,379	24,523	492	263,302	589,696
Inventory	-	469,441	-	-	469,441
Restricted:					
Law library operations	-	-	-	541,706	541,706
Senior services	-	-	-	267,868	267,868
Public safety	-	-	-	138,229	138,229
Court services	-	-	-	1,656,796	1,656,796
SPLOST projects	-	-	67,014,730	-	67,014,730
Grant activities	-	-	-	535,036	535,036
Jail operation and construction	-	-	-	954,356	954,356
E911 operations	-	-	-	3,119,332	3,119,332
Health and welfare	-	-	-	329,680	329,680
Debt service	-	-	-	853,983	853,983
Cultural and recreation construction	-	-	-	230,888	230,888
Impact fees	-	-	-	9,012,445	9,012,445
Fire protection services	-	6,132,422	-	-	6,132,422
Committed					
Jail and inmate services	-	-	-	642,412	642,412
Animal control	-	-	-	406,601	406,601
Park and recreation activities	-	-	-	426,041	426,041
Unassigned	34,259,743	-	-	-	34,259,743
Total fund balances	34,561,122	6,626,386	67,015,222	19,378,675	127,581,405
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 89,334,481	\$ 30,758,753	\$ 71,234,506	\$ 26,814,261	

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

Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds.	953,699,499
Other long-term assets are not available to pay for current period expenditures, and therefore, are unavailable in the funds.	463,874
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.	(88,164,069)
Net pension liability, along with related amounts, is not due and payable in the current period and is, therefore, not reported in governmental funds.	(35,676,766)
Total OPEB liability, along with related amounts, is not due and payable in the current period and is, therefore, not reported in governmental funds.	(5,110,493)
Internal service funds are used by management to charge the costs of various benefits and services to individual funds.	

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Net position of governmental activities.

1,076,767
\$ 953,870,217

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2018

	General Fund	Fire District Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 59,549,988	\$ 24,197,216	\$ -	\$ 6,180,200	\$ 89,927,404
Alcoholic beverage taxes	-	-	-	1,102,518	1,102,518
Franchise taxes	2,617,895	-	-	-	2,617,895
Insurance premium taxes	10,029,142	-	-	-	10,029,142
Sales taxes	-	-	38,959,919	-	38,959,919
Other taxes	-	-	-	211,797	211,797
Licenses and permits	3,235,130	70,928	-	-	3,306,058
Intergovernmental	184,476	5,441,217	2,358,022	4,404,729	12,388,444
Fines and forfeitures	5,140,079	-	-	1,687,052	6,827,131
Charges for services	7,543,494	5,574	-	11,716,903	19,265,971
Investment earnings	695,107	164,344	919,563	176,794	1,955,808
Contributions and donations	-	-	-	359,663	359,663
Miscellaneous	946,637	-	84,112	373,394	1,404,143
Total revenues	89,941,948	29,879,279	42,321,616	26,213,050	188,355,893
Expenditures					
Current:					
General government	15,750,153	-	-	229,449	15,979,602
Judicial	15,117,346	-	-	2,571,924	17,689,270
Public safety	37,982,564	27,816,243	96,886	7,494,416	73,390,109
Public works	5,509,757	-	5,299,739	-	10,809,496
Health and welfare	429,653	-	4,780	2,519,990	2,954,423
Culture and recreation	2,256,966	-	150,000	5,222,949	7,629,915
Housing and development	3,542,919	-	4,749	1,469,515	5,017,183
Intergovernmental	-	-	10,320,628	100,000	10,420,628
Capital Outlay	-	-	12,436,647	892,197	13,328,844
Debt Service					
Principal	278,819	-	19,353	4,943,007	5,241,179
Interest	52,433	-	3,063	2,179,570	2,235,066
Total expenditures	80,920,610	27,816,243	28,335,845	27,623,017	164,695,715
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,021,338	2,063,036	13,985,771	(1,409,967)	23,660,178
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	78,990	3,261	5,150	11,870	99,271
Issuance of capital lease	1,050,951	-	-	15,002	1,065,953
Insurance reimbursement	49,820	-	377,951	44,859	472,630
Transfers in	209,221	-	3,299,263	4,144,091	7,652,575
Transfers out	(5,518,205)	(2,713,989)	-	(1,666,869)	(9,899,063)
Total other financing sources (uses)	(4,129,223)	(2,710,728)	3,682,364	2,548,953	(608,634)
Net Change in Fund Balances	4,892,115	(647,692)	17,668,135	1,138,986	23,051,544
Fund Balances Beginning of Year, before Restatement (Note 1.O)	29,669,007	7,274,078	49,347,087	17,628,943	103,919,115
Restatement (Note 18)	-	-	-	610,746	610,746
Fund Balances Beginning of Year, after Restatement	29,669,007	7,274,078	49,347,087	18,239,689	104,529,861
Fund Balances End of Year	\$ 34,561,122	\$ 6,626,386	\$ 67,015,222	\$ 19,378,675	\$ 127,581,405

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended September 30, 2018

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

Net changes in fund balances - total governmental funds	\$ 23,051,544
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.	(38,199,457)
The net effect of various miscellaneous transactions involving capital assets (i.e. donations, sales and trade-ins) is to increase net position.	10,828,257
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	252,409
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds.	
Principal payments on bonds payable	4,915,000
Principal payments on capital leases	326,179
Capital leases issued	(1,065,953)
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.	(287,248)
Internal service funds are used by management to charge costs of various services and benefits to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.	<u>(9,203)</u>
Change in net position of governmental activities	<u>\$ (188,472)</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Net Position
Proprietary Funds
September 30, 2018

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets				
Current assets				
Cash	\$ 1,178,766	\$ 508,271	\$ 1,687,037	\$ 2,005,425
Receivables, net of allowance	1,049,059	2,560	1,051,619	311,136
Inventories	-	-	-	204,962
Prepaid items	6,363	24	6,387	387
Total current assets	<u>2,234,188</u>	<u>510,855</u>	<u>2,745,043</u>	<u>2,521,910</u>
Noncurrent assets				
Capital assets, net of depreciation	3,027,332	48,139	3,075,471	242,484
Total noncurrent assets	<u>3,027,332</u>	<u>48,139</u>	<u>3,075,471</u>	<u>242,484</u>
Total assets	<u>5,261,520</u>	<u>558,994</u>	<u>5,820,514</u>	<u>2,764,394</u>
Deferred Outflows of Resources				
Deferred outflows relating to pension	1,169,430	-	1,169,430	127,845
Deferred outflows relating to OPEB	742,257	-	742,257	-
Total deferred outflows of resources	<u>1,911,687</u>	<u>-</u>	<u>1,911,687</u>	<u>127,845</u>
Liabilities				
Current liabilities				
Accounts payable	97,338	10,311	107,649	525,611
Accrued liabilities	111,854	23,855	135,709	759,022
Due to other funds	-	-	-	115,795
Compensated absences, due within one year	192,134	-	192,134	63,776
Total current liabilities	<u>401,326</u>	<u>34,166</u>	<u>435,492</u>	<u>1,464,204</u>
Long-term Liabilities (net of current portion)				
Compensated absences, due in more than one year	447,316	-	447,316	21,259
Net pension liability	2,799,156	-	2,799,156	306,011
Net OPEB liability	399,289	-	399,289	-
Total long-term liabilities	<u>3,645,761</u>	<u>-</u>	<u>3,645,761</u>	<u>327,270</u>
Total Liabilities	<u>4,047,087</u>	<u>34,166</u>	<u>4,081,253</u>	<u>1,791,474</u>
Deferred Inflows of Resources				
Deferred inflows relating to pension	219,516	-	219,516	23,998
Deferred inflows relating to OPEB	721,384	-	721,384	-
Total deferred inflows of resources	<u>940,900</u>	<u>-</u>	<u>940,900</u>	<u>23,998</u>
Net Position				
Investment in capital assets	3,027,332	48,139	3,075,471	242,484
Unrestricted (deficit)	(842,112)	476,689	(365,423)	834,283
Total Net Position	<u>\$ 2,185,220</u>	<u>\$ 524,828</u>	<u>\$ 2,710,048</u>	<u>\$ 1,076,767</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Revenues, Expenses,
and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2018

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
Operating Revenues				
Charges for services	\$ 4,684,364	\$ 292,044	\$ 4,976,408	\$ 16,657,536
Miscellaneous revenue	16,762	2,471	19,233	540,506
Total operating revenues	<u>4,701,126</u>	<u>294,515</u>	<u>4,995,641</u>	<u>17,198,042</u>
Operating Expenses				
Personal services	5,307,535	-	5,307,535	745,323
Contractual services	594,800	310,554	905,354	1,633,208
Claims paid	-	-	-	14,052,121
Supplies	458,146	64,713	522,859	745,692
Depreciation	404,308	38,350	442,658	30,901
Total operating expenses	<u>6,764,789</u>	<u>413,617</u>	<u>7,178,406</u>	<u>17,207,245</u>
Operating income (loss)	(2,063,663)	(119,102)	(2,182,765)	(9,203)
Nonoperating Revenue				
Contributions	-	21,000	21,000	-
Total nonoperating revenue	<u>-</u>	<u>21,000</u>	<u>21,000</u>	<u>-</u>
Change in net position before transfers and capital contributions	<u>(2,063,663)</u>	<u>(98,102)</u>	<u>(2,161,765)</u>	<u>(9,203)</u>
Capital contributions	34,522	-	34,522	-
Transfers				
Transfers in	2,134,691	111,797	2,246,488	-
Total transfers	<u>2,134,691</u>	<u>111,797</u>	<u>2,246,488</u>	<u>-</u>
Change in net position	<u>105,550</u>	<u>13,695</u>	<u>119,245</u>	<u>(9,203)</u>
Net Position Beginning of Year, Before Restatement	2,458,491	511,133	2,969,624	1,085,970
Restatement	<u>(378,821)</u>	<u>-</u>	<u>(378,821)</u>	<u>-</u>
Net Position Beginning of Year, After Restatement	<u>2,079,670</u>	<u>511,133</u>	<u>2,590,803</u>	<u>1,085,970</u>
Net Position End of Year	<u>\$ 2,185,220</u>	<u>\$ 524,828</u>	<u>\$ 2,710,048</u>	<u>\$ 1,076,767</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2018

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
Cash Flows from Operating Activities				
Receipts from customers	\$ 4,645,830	\$ 295,464	\$ 4,941,294	\$ -
Receipts from others	16,762	-	16,762	-
Receipts from other funds	-	-	-	17,238,313
Payments to employees	(5,771,109)	-	(5,771,109)	(815,171)
Payments to suppliers for services provided	(1,113,729)	(385,518)	(1,499,247)	(16,609,364)
Net Cash Provided by (Used in) Operating Activities	<u>(2,222,246)</u>	<u>(90,054)</u>	<u>(2,312,300)</u>	<u>(186,222)</u>
Cash Flows from Capital Financing Activities				
Purchase of capital assets	(88,547)	-	(88,547)	(8,366)
Capital contributions	34,522	-	34,522	-
Net Cash Used in Capital Financing Activities	<u>(54,025)</u>	<u>-</u>	<u>(54,025)</u>	<u>(8,366)</u>
Cash Flows from Noncapital Financing Activities				
Transfers in	2,134,691	111,797	2,246,488	-
Donations for operations	-	21,000	21,000	-
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>2,134,691</u>	<u>132,797</u>	<u>2,267,488</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(141,580)	42,743	(98,837)	(194,588)
Cash and Cash Equivalents Beginning of Year	<u>1,320,346</u>	<u>465,528</u>	<u>1,785,874</u>	<u>2,200,013</u>
Cash and Cash Equivalents End of Year	<u>\$ 1,178,766</u>	<u>\$ 508,271</u>	<u>\$ 1,687,037</u>	<u>\$ 2,005,425</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (2,063,663)	\$ (119,102)	\$ (2,182,765)	\$ (9,203)
Adjustments -				
Depreciation	404,308	38,350	442,658	30,901
(Increase) Decrease in:				
Accounts receivable	(38,534)	949	(37,585)	8,614
Prepaid items	5,143	99	5,242	13,325
Inventories	-	-	-	(15,319)
Deferred outflows of resources	(753,880)	-	(753,880)	8,070
Increase (Decrease) in:				
Accounts payable	(73,907)	(12,433)	(86,340)	121,022
Accrued expenses	7,981	2,083	10,064	(297,371)
Due to other funds	-	-	-	31,657
Compensated absences payable	36,764	-	36,764	3,756
Net pension liability	(707,826)	-	(707,826)	(105,672)
Net OPEB liability	20,468	-	20,468	-
Deferred inflows of resources	940,900	-	940,900	23,998
Net Cash Provided by (Used in) Operating Activities	<u>\$ (2,222,246)</u>	<u>\$ (90,054)</u>	<u>\$ (2,312,300)</u>	<u>\$ (186,222)</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
September 30, 2018

	Agency Funds
Assets	
Cash	\$ 16,254,075
Taxes and other receivables	<u>238,074,711</u>
Total assets	<u><u>\$ 254,328,786</u></u>
Liabilities	
Due to others	\$ 16,254,075
Taxes payable to others upon collection	<u>238,074,711</u>
Total Liabilities	<u><u>\$ 254,328,786</u></u>

See accompanying notes to the basic financial statements

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County is a political subdivision of the State of Georgia governed by the Commission Chairman and a four-member Board of Commissioners. The financial statements of the County and its discretely presented component units, the Development Authority of Cherokee County, the Cherokee County Development Authority, the Sequoyah Regional Library, and the Cherokee County Department of Public Health have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are described below.

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 (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of the operational and financial relationships with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in Governmental Accounting Standards Board Statement No. 61, "*The Financial Reporting Entity: Omnibus - An amendment of GASB Statements No. 14 and No. 34*" the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County. Based upon the application of these criteria, the following is a brief review of the component units addressed in defining the County's reporting entity.

The **Development Authority of Cherokee County** (the "Development Authority") provides a means to issue industrial development bonds to develop and promote trade, commerce, industry and employment opportunities within Cherokee County. The Development Authority is frequently referred to as "the Cherokee County Office of Economic Development" and exists to promote economic development in the County by working with existing industries to expand as well as by recruiting additional business to the community. The Development Authority was created by resolution of the Board of Commissioners. All board members of the Development Authority are appointed by the County. The Development Authority is dependent on the County for its operational costs. The Development Authority is presented as a governmental fund type component unit. There are no separately issued financial statements available for the Development Authority of Cherokee County. The fiscal year end of the Development Authority is September 30th.

The **Cherokee County Development Authority** (the "CCDA") provides a means to issue industrial development bonds to develop and promote trade, commerce, industry and employment opportunities within Cherokee County. The CCDA was established by State constitution. Cherokee County does not appoint a majority of the Board; however, the CCDA does require the approval of Cherokee County in order to issue bonded debt. The CCDA is dependent on the County to service the debt service payments on their bonds. The CCDA is presented as a governmental fund type component unit. There are no separately issued financial statements available for the Cherokee County Development Authority. The fiscal year end of the CCDA is September 30th.

The **Sequoyah Regional Library** (the "Library") provides library services to the citizens of Cherokee, Gilmer, and Pickens Counties. The County appoints a majority of the Library's board members and provides significant funding to the Library. During the fiscal year ended September 30,

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

2018 the Library received \$2,734,981 from the County. The Library is presented as a governmental fund type component unit.

The Sequoyah Regional Library operates on a June 30 fiscal year end. The complete report can be obtained from the Sequoyah Regional Library, 116 Brown Industrial Parkway, Canton, Georgia 30114.

The **Cherokee County Department of Public Health** (the “Department of Public Health”) provides health related services to residents of Cherokee County. Programs include disease screening, child health services, family planning, health services, and environmental health programs. The County appoints a voting majority of the board members of the Department of Public Health and provides significant funding to the Department of Public Health.

The Department of Public Health operates on a June 30 fiscal year end. Complete financial statements of the Department of Public Health can be obtained from their administrative offices at Department of Public Health, 1219 Univeter Road, Canton, Georgia 30114.

A blended component unit, although a legally separate entity, is in substance part of the County’s operations and so financial data from this unit is combined with the financial data of the primary government. The following is presented as a blended component unit.

The Resource Recovery Development Authority of Cherokee County (the “RR Development Authority”) provides a means to issue industrial development bonds used to help develop and promote recycling opportunities within Cherokee County. The RR Development Authority is governed by a board comprised of four of the County’s elected Commissioners and the one additional public member. The County has guaranteed the bonds issued by the RR Development Authority with the County’s millage rate. The RR Development Authority is presented as a blended governmental fund type component unit as the sole purpose was to finance a recycling center to be leased and operated by a third party and subsequently the County has assumed the debt service payments, as the third party operator has defaulted. There are no separately issued financial statements available for the RR Development Authority.

The Atlanta Regional Commission (the “ARC”) is considered a joint venture based upon the criteria in GASB Statement No. 14, as amended by GASB Statement No. 61. Under Georgia law, the County, in conjunction with other cities and counties in the 10-county metropolitan Atlanta, Georgia area, is a member of the ARC. Membership in a Regional Commission is required by the O.C.G.A 50-8-34, which provides for the organizational structure of the RDC in Georgia. The County paid dues in the amount of \$272,133 to the ARC for the fiscal year ended September 30, 2018. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A 50-39-1 provides that the member government are liable for any debts or obligations of a Regional Commission. Complete financial statements of the RDC may be obtained from the Atlanta Regional Commission, 229 Peachtree Street NE, STE 100., Atlanta, Georgia 30303.

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 County. *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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to those 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 fund are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement 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 are custodial in nature and do not present the results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of the related cash flows. Property taxes are recognized as revenues in which the fiscal year for which they are levied. Property taxes levied in September are for the next fiscal year beginning October 1. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government 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 most revenues to be available if they are collected within 60 days of the end of the current fiscal year, however, grant revenues are considered available if they are collected within 180 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, intergovernmental grants, and investment income associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the County.

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 District Fund*** is used to account for monies received from a restricted property tax levy for the operations of the fire departments within the County.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The *Special Purpose Local Option Sales Tax (“SPLOST”) Fund* is used to account for proceeds of a special 1% local sales tax levy approved by voters. The proceeds of this special tax are designated for various capital projects throughout the County.

The County reports the following major proprietary fund:

The *EMS Fund* is used to account for the provisions of emergency medical services to the residents of the County.

Additionally, the County reports the following fund types:

Special revenue funds account for the revenue sources that are legally restricted or committed to expenditure for specific purposes, such as grant programs, certain fines and forfeitures, E-911 charges, and law enforcement services.

Capital projects funds account for the capital expenditures made by the County.

Debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Internal service funds account for fleet management services and to account for the County’s contributions and employee premiums for health, disability, and life insurance, and the related payments for associated costs.

The *Enterprise fund* is used to account for the operations of the County’s conference center. Activities of the fund include administration, operations, and collection activities.

The *Agency funds* are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. Constitutional officers use these funds to temporarily hold assets.

In accounting and reporting for its proprietary operations, the government applies all GASB pronouncements. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* incorporated in the GASB’s authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989 which does not conflict with or contradict GASB pronouncements.

As a general rule the effects of interfund activity have been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other changes between the County’s emergency medical services and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various function concerned.

Amounts reported as *program revenues* include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than 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

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

revenues of the enterprise funds and of the County's internal service funds are charges for goods and services provided. Operating expenses of the enterprise funds and internal service funds include the cost of these goods 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.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash, Cash Equivalents, and Investments

Cash includes cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by a bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

Operating funds are currently invested in the Georgia Fund 1 Liquidity Pool; U.S. Government agencies; or maintained in demand deposit, savings, and public funds money market accounts with financial institutions.

The investment in the Georgia Fund 1 represents the County's portion of a pooled investment account operated by the Office of State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. Fair value of the investment in the Georgia Fund 1 is equal to the value of the pool of shares. As of September 30, 2018, the County's investment in Georgia 1 was rated AA+ by Standard & Poor's. Funds included in this Pool are not required to be collateralized.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal period 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 a fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

F. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. Inventories reported in the governmental funds are equally offset by a nonspendable fund balance category, which indicates that they do not constitute “available, spendable resources” even though they are a component of net current assets. The consumption method is used to account for inventory items within the County’s funds.

Payments to vendors for services that will benefit periods beyond September 30, 2018, are recorded as prepaid items. Prepaid items reported in the governmental funds are also equally offset by a nonspendable fund balance category, which indicates that they do not constitute “available, spendable financial resources” even though they are a component of net current assets. The consumption method is used to account for prepaid items within the County’s funds.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, not including infrastructure, are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. All infrastructure assets are capitalized, regardless of cost. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at their acquisition value as of the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Asset Class	Estimate Useful Life
Buildings and improvements	50
Machinery and equipment	5-20
Vehicles	5
Infrastructure	25-50

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 future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The County has two items which qualify for reporting in this category. They are the deferred outflows of resources related to the recording of changes in its net pension liability and its total OPEB liability. Certain changes in

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

the net pension liability and the total OPEB liability are recognized as pension or OPEB expense over time instead of all being recognized in the year of occurrence. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The governmental funds balance sheet and government wide statement of net position will report unearned advance registration fee revenues as a deferred inflow of resources. Additionally, the governmental funds balance sheet and government wide statement of net position will report property tax revenues as a deferred inflow of resources as the amount represents resources associated with an imposed non-exchange revenue transaction received or reported as a receivable before the period for which the property taxes were levied. These revenues will be recognized as an inflow of resources in the period for which they were levied. Deferred inflows of resources relating to pension and OPEB are also reported in the government wide and proprietary funds statement of net position.

I. Long-Term Obligations

In the government-wide financial statements and proprietary fund types 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 expended 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 the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees can accumulate up to 320 hours of vacation leave for regular employees and up to 480 hours of vacation leave for fire district employees. The amount of sick leave that can be accumulated is unlimited.

Employees are entitled to all accrued vacation and fifty percent (50%) of all accrued sick leave upon separation, regardless if retirement qualifications are met. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 deferred outflows of resources and the liabilities and deferred inflows of resources under the current financial resources management 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 expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

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

Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by a formal vote (resolution) action of the County Commission. Only the County Commission may modify or rescind the commitment through the passage of a resolution.

Assigned - Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted or committed. The Board of Commissioners retains the authority to make assignments.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund.

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, (3) Unassigned.

Net Position - Net position represent the difference between assets, deferred outflows of resources, 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. This net investment amount also is adjusted by any deferred bond premiums, discounts or refunding amounts. 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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resource, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Cherokee County Defined Benefit 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.

M. Interfund Transfers

Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other fund transactions, except interfund reimbursement transactions are reported as transfers.

N. 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, deferred outflow of resources, liabilities, deferred inflows of resources, and the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Reclassifications

In prior years the County has presented a separate fund for each SPLOST referendum. In fiscal year 2018 these funds have been combined and presented as one fund.

NOTE 2. LEGAL COMPLIANCE- BUDGETS

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

1. On or around September 1, the County Manager submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. At least one public hearing is conducted to obtain taxpayer comments.
3. The budget is formally approved at the first Board meeting in October, or shortly thereafter as deemed appropriate by the Budget Officer.
4. The County Manager is authorized to transfer amounts between accounts within any department. All supplemental appropriations must be enacted by the County Commission.
5. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is typically at the department level. For the capital project fund budgets the legal level of control is typically the fund as a whole.
6. Annual appropriated budgets are adopted for the General Fund, each Special Revenue Fund, each Capital Projects Fund except project length budgets are adopted for the SPLOST fund, and the Debt Service Fund for the fiscal year ended September 30, 2018. Budget amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

appropriations are reflected in the final budget numbers. Unencumbered appropriations lapse at fiscal year-end. The budgets were adopted on GAAP basis of accounting, except General Fund debt service expenditures are budgeted at the department level.

NOTE 3. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds and net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are reported in the funds. The details of this difference are as follows:

Bonds payable:	\$ (72,185,000)
Less: Underwriters discount	131,795
Add: Original issue premium	(674,037)
Capital lease payable	(1,414,475)
Accrued interest payable	(133,669)
Claims payable	(400,587)
Landfill postclosure costs	(1,456,996)
Compensated absences	<u>(12,031,100)</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ (88,164,069)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balance – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “the net effect of various miscellaneous transactions involving capital assets (i.e., donations, sales and trade-ins is to increase net assets.” The details of this \$10,828,257 difference are as follows:

Donations of capital assets	\$ 11,430,099
Disposal of capital assets	<u>(601,842)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net position-governmental activities	<u>\$ 10,828,257</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds and changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 13,665,379
Depreciation expense	<u>(51,864,836)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (38,199,457)</u>

Another element of that reconciliation explains that “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.” The details of this difference are as follows:

Compensated absences	\$ (1,065,552)
Insurance claims	318,049
Amortization expense	98,590
Pension expense	254,216
OPEB expense	5,474
Landfill monitoring costs	45,651
Interest expense	<u>56,324</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (287,248)</u>

NOTE 4. DEPOSITS AND INVESTMENTS

A. 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 banker’s acceptances; the local government investment pool established by State law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County does not have an investment policy and, therefore, has elected to follow State statutes for limiting credit risk on investments.

At September 30, 2018, the County had the following investments:

Investment	Maturity	Amount
Certificate of deposit	14 month	\$ 256,584
Georgia Fund 1	16 day WAM	<u>27,466,710</u>
		<u>\$ 27,723,294</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The County reports its investments in Georgia Fund 1 as cash equivalents in the financial statements as of September 30, 2018.

B. Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the County limits at least half of the County's investment portfolio to maturities of less than one year.

C. Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County 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. The County reduces its exposure to this risk by requiring deposits to be collateralized in accordance with state statutes. As of September 30, 2018, the County was not exposed to custodial credit risk.

NOTE 5. RECEIVABLES

Receivables at September 30, 2018, for the County's individual major funds and nonmajor funds are as follows:

	General Fund	Fire District	SPLOST Fund	Nonmajor Governmental Funds
Receivables:				
Property taxes	\$ 48,759,461	\$ 21,897,644	\$ -	\$ 4,997,036
Accounts	11,527,002	17,375	347,225	1,386,217
Gross receivables	60,286,463	21,915,019	347,225	6,383,253
Less allowance for uncollectibles	628,079	126,048	-	31,178
Net receivables	<u>\$ 59,658,384</u>	<u>\$ 21,788,971</u>	<u>\$ 347,225</u>	<u>\$ 6,352,075</u>

	EMS	Non-major Conference Center	Internal Service Funds
Receivables:			
Accounts	\$ 15,051,530	\$ 2,560	\$ 311,136
Less allowance for uncollectibles	14,002,471	-	-
Net total receivables	<u>\$ 1,049,059</u>	<u>\$ 2,560</u>	<u>\$ 311,136</u>

The County bills and collects its own property taxes as well as taxes for the Cherokee County School System ("School System") and some municipalities within the County. Collections of the County taxes and remittance of them to the General Fund, Fire District Fund, Debt Service Fund, the School System, the City of Ball Ground, and the State are accounted for in the Tax Commissioner Agency Fund. County property taxes are recognized when levied to the extent that they result in current receivables. Property taxes are levied in August based on assessed values on January 1st and are due on December 20th of each year. Collections of property taxes are made throughout the year. Liens may be attached to property for unpaid taxes at any time within three years after the due date.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 6. CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land and land improvement	\$ 279,581,751	\$ 3,236,267	\$ 240,657	\$ (314,623)	\$ 282,744,052
Construction in progress	35,574,730	9,165,434	(35,645,360)	(168,428)	8,926,376
Total	<u>315,156,481</u>	<u>12,401,701</u>	<u>(35,404,703)</u>	<u>(483,051)</u>	<u>291,670,428</u>
Capital assets, being depreciated:					
Buildings and improvements	178,594,232	913,718	19,932,983	(140,284)	199,300,649
Machinery and equipment	21,923,591	1,644,246	390,106	(762,459)	23,195,484
Vehicles	32,661,684	1,777,437	183,359	(1,032,926)	33,589,554
Infrastructure	1,045,546,624	8,366,742	14,898,255	-	1,068,811,621
Total	<u>1,278,726,131</u>	<u>12,702,143</u>	<u>35,404,703</u>	<u>(1,935,669)</u>	<u>1,324,897,308</u>
Less accumulated depreciation for:					
Buildings and improvements	47,956,062	5,714,997	-	(93,372)	53,577,687
Machinery and equipment	18,351,099	1,383,801	-	(759,467)	18,975,433
Vehicles	18,693,917	2,478,404	-	(964,039)	20,208,282
Infrastructure	527,545,816	42,318,535	-	-	569,864,351
Total	<u>612,546,894</u>	<u>51,895,737</u>	<u>-</u>	<u>(1,816,878)</u>	<u>662,625,753</u>
Total capital assets, being depreciated, net	<u>666,179,237</u>	<u>(39,193,594)</u>	<u>35,404,703</u>	<u>(118,791)</u>	<u>662,271,555</u>
Governmental activities capital assets, net	<u>\$ 981,335,718</u>	<u>\$ (26,791,893)</u>	<u>\$ -</u>	<u>\$ (601,842)</u>	<u>\$ 953,941,983</u>

Internal service funds predominately serve the governmental funds. Accordingly, capital assets for the Fleet Services Internal Service Fund totaling \$748,588 with accumulated depreciation of \$506,104 are included as part of the above totals for governmental activities at the current fiscal year end.

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Construction in progress	\$ 100,482	\$ 26,595	\$ (127,077)	\$ -	\$ -
Capital assets, being depreciated:					
Machinery and equipment	4,686,488	61,952	127,077	-	4,875,517
Less accumulated depreciation for:					
Machinery and equipment	1,357,388	442,658	-	-	1,800,046
Total depreciable capital assets, net	<u>3,329,100</u>	<u>(380,706)</u>	<u>127,077</u>	<u>-</u>	<u>3,075,471</u>
Business-type activities capital assets, net	<u>\$ 3,429,582</u>	<u>\$ (354,111)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,075,471</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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

Governmental activities:	
General government	\$ 826,526
Judicial	425,713
Public safety	4,451,641
Public works	42,705,776
Health and welfare	162,556
Culture and recreation	3,206,455
Housing and development	86,169
Fleet services	30,901
Total depreciation expense- governmental activities	<u>\$ 51,895,737</u>
Business-type activities:	
Emergency Medical Services Fund	\$ 404,308
Conference Center Fund	38,350
	<u>\$ 442,658</u>

The following table provides a summary of the County's investment in capital assets less any related debt.

	Governmental Activities	Business-type Activities	Total
Capital assets, nondepreciable	\$ 291,670,428	\$ -	\$ 291,670,428
Capital assets, depreciable, net	662,271,555	3,075,471	665,347,026
Bonds payable	(72,727,242)	-	(72,727,242)
Capital leases payable	(1,414,475)	-	(1,414,475)
Retainage and accounts payable	(559,745)	-	(559,745)
Unspent bond proceeds	385,464	-	385,464
Net investment in capital assets	<u>\$ 879,625,985</u>	<u>\$ 3,075,471</u>	<u>\$ 882,701,456</u>

B. Discretely Presented Component Unit- Cherokee County Development Authority

	Beginning Balance as Restated	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land and land improvements	<u>\$ 1,539,503</u>	<u>\$ -</u>	<u>\$ (806,880)</u>	<u>\$ 732,623</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

C. Discretely Presented Component Unit- Development Authority of Cherokee County

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 3,900,162	\$ 806,880	\$ -	\$ 4,707,042
Construction in progress	873,503	153,064	-	1,026,567
Total capital assets, not being depreciated	<u>4,773,665</u>	<u>959,944</u>	<u>-</u>	<u>5,733,609</u>
Capital assets, being depreciated				
Machinery and equipment	1,052,095	-	-	1,052,095
Less accumulated depreciation for:				
Machinery and equipment	280,560	93,520	-	374,080
Total capital assets, being depreciated, net	<u>771,535</u>	<u>(93,520)</u>	<u>-</u>	<u>678,015</u>
Total capital assets, net	<u>\$ 5,545,200</u>	<u>\$ 866,424</u>	<u>\$ -</u>	<u>\$ 6,411,624</u>

NOTE 7. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2018:

	Beginning Balance as Restated	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Bonds payable	\$ 77,100,000	\$ -	\$ (4,915,000)	\$ 72,185,000	\$ 5,115,000
Less: discounts	(143,837)	-	12,042	(131,795)	-
Add: premiums	784,669	-	(110,632)	674,037	-
Bonds payable, net	<u>77,740,832</u>	<u>-</u>	<u>(5,013,590)</u>	<u>72,727,242</u>	<u>5,115,000</u>
Capital leases	674,701	1,065,953	(326,179)	1,414,475	356,682
Net pension liability	54,051,512	20,909,994	(20,652,384)	54,309,122	-
Total OPEB liability	5,115,967	347,065	(70,650)	5,392,382	-
Claims payable	718,636	328,918	(646,967)	400,587	300,440
Compensated absences	11,046,827	3,874,394	(2,805,086)	12,116,135	3,673,106
Landfill postclosure	1,502,647	158,904	(204,555)	1,456,996	190,147
Governmental activities Long-term liabilities	<u>\$ 150,851,122</u>	<u>\$ 26,685,228</u>	<u>\$ (29,719,411)</u>	<u>\$ 147,816,939</u>	<u>\$ 9,635,375</u>
Business-type activities:					
Compensated absences	\$ 602,686	217,277	\$ (180,513)	\$ 639,450	\$ 192,134
Net pension liability	3,506,982	356,622	(1,064,448)	2,799,156	-
Total OPEB liability	<u>378,821</u>	<u>589,717</u>	<u>(569,249)</u>	<u>399,289</u>	<u>-</u>
Business-type activities Long-term liabilities	<u>\$ 4,488,489</u>	<u>\$ 1,163,616</u>	<u>\$ (1,814,210)</u>	<u>\$ 3,837,895</u>	<u>\$ 192,134</u>

For governmental activities, claims payable, compensated absences, and landfill postclosure costs are generally liquidated by the General Fund. The net pension liability and total OPEB liability are primarily liquidated through the General Fund and Fire District Fund.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

Bonds payable. The County has general obligation bonds payable and a solid waste disposal revenue bond outstanding at September 30, 2018, which includes the following individual issues:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Parks and recreation- 2009	2.00% - 5.00%	20 years	2029	\$ 45,000,000	\$ 1,905,000
Resource recovery revenue bond-2007A	4.65% - 5.00%	27 years	2034	13,205,000	9,110,000
Resource recovery revenue bond-2007B	5.80%	15 years	2022	4,940,000	1,715,000
Recovery zone economic development bond-2010	4.52%	15 years	2025	10,767,000	8,017,000
Recreation bond- 2012	1.90%	15 years	2026	11,410,000	4,280,000
Recreation bond- 2014	2.84%	15 years	2029	22,823,000	19,648,000
Refunding bond- 2016	1.67%	14 years	2029	28,450,000	27,510,000
				Plus unamortized premium	674,037
				Less unamortized discount	(131,795)
					<u>\$ 72,727,242</u>
				Less current maturities	5,115,000
					<u><u>\$ 67,612,242</u></u>

The 2016 Refunding bonds were issued to refund a portion of the Series 2009 Parks and Recreation bonds. The refunding reduced total debt service payments by \$3,617,333, resulting in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,252,728. The amount of defeased debt outstanding but removed for the County's records totaled \$25,295,000 at September 30, 2018.

Annual debt service requirements on the general obligation bonds are as follows:

Fiscal Year Ending September 30,	Principal	Interest
2019	\$ 5,115,000	\$ 2,091,333
2020	5,345,000	1,888,119
2021	5,540,000	1,739,971
2022	5,745,000	1,583,795
2023	5,950,000	1,419,500
2024-2028	33,195,000	4,528,405
2029-2033	10,980,000	893,266
2034	315,000	15,750
	<u>\$ 72,185,000</u>	<u>\$ 14,160,139</u>

Capital Leases. Various capital leases for financing vehicles and telephone system were entered into by the County. The leases expire beginning fiscal year 2021 through 2023. The gross amount of Governmental Activities capital assets on the balance sheet recorded under capital leases is \$1,886,953 and accumulated depreciation is \$474,800. Amortization expense of the assets recorded under the capital leases is included in depreciation expense. The debt service requirements on these leases are as follows:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

Fiscal Year Ending September 30,	Principal	Interest
2019	\$ 356,682	\$ 76,282
2020	371,884	61,061
2021	377,488	43,818
2022	244,906	11,890
2023	63,515	1,431
	<u>\$ 1,414,475</u>	<u>\$ 194,482</u>

Landfill Postclosure Costs. The County owns and operated a landfill site which began operating in November 1976. State and federal regulations require the County to close its landfill once its capacity was reached on July 1, 1994, and to monitor and maintain the site for 30 years after closure.

The County elected an early closure date of October 3, 1993, and for that reason was exempt from the 30 year rule, and was required to monitor the landfill for only five years. However, recent monitoring has detected levels of contamination higher than permissible, and engineers are in the process of assessing the corrective measures to be taken. At this time, engineering studies estimate postclosure costs of approximately \$1,456,996 over the next 7 years. These costs are based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of September 30, 2018. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

B. Discretely Presented Component Unit – Cherokee County Department of Public Health

Long Term Obligations. The following is a summary of changes in noncurrent liabilities of the Department for the Fiscal year ended June 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Net pension liability	\$ 8,954,117	\$ -	\$ 514,907	\$ 8,439,210	\$ -
Net OPEB liability	7,598,288	-	502,318	7,095,970	-
Compensated absences	535,435	287,288	267,718	555,005	277,503
Total long-term liabilities	<u>\$ 17,087,840</u>	<u>\$ 287,288</u>	<u>\$ 1,284,943</u>	<u>\$ 16,090,185</u>	<u>\$ 277,503</u>

C. Discretely Presented Component Unit – Sequoyah Regional Library System

Long Term Obligations. The following is a summary of changes in noncurrent liabilities of the Department for the Fiscal year ended June 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Net pension liability	\$ 3,198,854	\$ -	\$ 255,313	\$ 2,943,541	\$ -
Net OPEB liability	3,230,526	216,769	123,356	3,323,939	-
Compensated absences	61,628	199,378	192,470	68,536	13,707
Total long-term liabilities	<u>\$ 6,491,008</u>	<u>\$ 416,147</u>	<u>\$ 571,139</u>	<u>\$ 6,336,016</u>	<u>\$ 13,707</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2018, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 123,377
General Fund	Internal Service Fund	115,795
		<u>\$ 239,172</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) transactions are recorded in the accounting system.

Transfers between the funds as of September 30, 2018 are as follows:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 100,000
General Fund	Fire District	109,221
		<u>209,221</u>
Nonmajor governmental funds	General fund	3,925,117
Nonmajor governmental funds	Nonmajor governmental funds	218,974
		<u>4,144,091</u>
SPLOST	Fire District	2,063,165
SPLOST	Nonmajor governmental funds	1,236,098
		<u>3,299,263</u>
EMS	General fund	1,593,088
EMS	Fire District	541,603
		<u>2,134,691</u>
Nonmajor proprietary funds	Nonmajor governmental funds	111,797
		<u>\$ 9,899,063</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 9. DEFINED BENEFIT PENSION PLAN

Plan Description. The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Cherokee 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 the 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 or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership. As of January 1, 2018, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees, Beneficiaries, and Disables receiving benefits	380
Terminated plan participants entitled to but not yet receiving benefits	736
Active employees participating in the Plan	<u>1,282</u>
Total number of Plan participants	<u><u>2,398</u></u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard 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 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. For the year ended September 30, 2018, the County's contribution rate was 14.10% of annual payroll. County contributions to the Plan were \$8,846,419 for the year ended September 30, 2018.

Net Pension Liability of the County. The County's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2017 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2017.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

Actuarial Assumptions. The total pension liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%
Salary increases	3.50% - 5.50%, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table projected with Scale AA to 2017

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study through December 31, 2015.

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 (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), 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 weighing 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, 2017 are summarized in the table below:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	6.10%
Large Cap equity	30.00%	9.07%
International equity	15.00%	5.01%
Other equity	20.00%	8.62%
Real estate	5.00%	10.62%
	<u>100.00%</u>	

*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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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 September 30, 2018 were as follows:

	Total Pension Liability (a)	Net Fiduciary Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2016	\$ 123,970,481	\$ 66,411,987	\$ 57,558,494
Changes for the year:			
Service cost	4,243,211	-	4,243,211
Interest	8,729,649	-	8,729,649
Contributions - employer	-	6,983,937	(6,983,937)
Contributions - employee	-	3,892,462	(3,892,462)
Net investment income	-	10,840,433	(10,840,433)
Benefit payments, including refunds of employee contributions	(7,123,049)	(7,123,049)	-
Administrative expense	-	(211,606)	211,606
Changes in assumptions	248,807	-	248,807
Differences in expected and actual experience	7,274,695	-	7,274,695
Other changes	-	(558,648)	558,648
Net changes	<u>13,373,313</u>	<u>13,823,529</u>	<u>(450,216)</u>
Balances at December 31, 2017	<u>\$ 137,343,794</u>	<u>\$ 80,235,516</u>	<u>\$ 57,108,278</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 the 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%, 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%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current discount rate (7.25%)	1% Increase (8.25%)
County's net pension liability	\$ 77,624,131	\$ 57,108,278	\$ 40,262,782

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 long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2017 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 September 30, 2018, the County recognized pension expense of \$8,056,183. At September 30, 2018, the County reported deferred outflows of resources related to pensions from the following sources:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 2,050,398	\$ 4,478,554
Differences between expected and actual experience	9,963,902	-
Assumption changes	4,602,627	-
Contributions made after the measurement date	7,241,733	-
Total	\$ 23,858,660	\$ 4,478,554

The County's contributions subsequent to the measurement date of \$7,241,733 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2019. The other amount reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2019	\$ 3,481,765
2020	3,413,341
2021	2,438,410
2022	1,550,940
2023	1,253,917
	\$ 12,138,373

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN

Prior to January 1, 2003, the County offered its employees a defined contribution money purchase pension plan, a single employer plan, in accordance with Internal Revenue Code Section 401 (a). Effective January 1, 2003, this Plan was closed to new enrollees. The Plan was established by the Cherokee County Board of Commissioners and is administered by Massachusetts Mutual. It is available to all full-time employees who work more than 1,716 hours per year. Employees are 100% vested in the County's contributions after five years of service. The County has the authority to amend the Plan provisions. At September 30, 2018, there were 379 employees with balances of which 6 are active participants. The contributions are not available to Plan participants until termination, retirement, death, or disability. Contribution requirements are established and may be amended by the Cherokee County Board of Commissioners. The County contributes 4% of eligible salary to the 401(a) Plan and a 50% matching contribution for every employee dollar contributed to the deferred compensation plan (Section 457 plan) up to 3% of pay. Employees are not required to contribute. For the fiscal year ended September 30, 2018, the County's contribution to the Plan was \$34,709. There are no administrative fees charged directly to the Plan or participants. No publicly available financial report that includes financial statements and required supplementary information issued.

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS

Plan Description. The Cherokee County Retirement Pension Insurance Plan (the "OPEB Plan") is a single employer defined benefit postemployment health care plan or other postemployment benefit (OPEB) plan.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The County offers postemployment benefits to eligible employees enrolled in the County’s medical plans. The Plan is administered by Blue Cross-Blue Shield and amendments or changes to the Plan are made by the County’s Board of Commissioners. There are no separately issued financial statements related to the County’s Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The Plan provides subsidies for eligible employees, whereby the County contributes a portion of the retiree’s premium.

Eligible retirees are offered the same health and prescription drug coverage as active employees. Relative to costs for the Medical/Rx EPO Plan, Retirees contribute \$623.14 for retiree only, \$1,007.25 for retiree plus spouse, per month towards the actuarially calculated monthly rates (i.e., the Fully Insured Equivalent rates).

The County contributes 100% towards retirees who were grandfathered into the plan, as part of the incentivized retirement plan. The County contributes until these employees reach the age of 65.

Employees must be a minimum age of 55 years with 5 or more years of service in order to receive benefits. They also may meet the requirements by having age plus service equal 70 years or have at least 30 years of service. Eligible employees can elect to receive coverage for their spouses.

Plan Membership. The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of September 30, 2018.

Active employees	1,226
Retirees	53
Total number of Plan participants	1,279

Total OPEB Liability. The County’s total OPEB liability was \$5,791,671 as of September 30, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total OPEB liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount Rate	3.75%
Healthcare cost trend rate	6.30%
Retirees' share of benefits related costs	Retirees pay 100% of the total premium for medical, dental, and vision benefits, unless they have qualified for a one-time incentivized selective retirement plan (ISRP). Depending on years of services, qualified ISRP retirees receive a County contribution for medical benefits up to 100% of the employee only premium. Retiree premiums for those not eligible for ISRP contributions for calendar year 2018 are \$623.14 for the Retiree, and \$384.11 for spouse.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

The discount rate was based on S&P Municipal Bond 20 Year High Grade Rate Index as of October 1, 2018.

Mortality rates were based on the RP-2000 projected Scale AA to 2018.

The actuarial assumptions used in the September 30, 2018 valuation were based on the results of February 2014 experience study.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at 9/30/2017 (restated)	\$ 5,494,788
Changes for the year:	
Service cost	383,243
Interest	206,055
Differences between expected and actual experience	(12,009,229)
Changes of assumptions	12,356,713
Employer contributions	(639,899)
Net changes	296,883
Balances at 9/30/2018	\$ 5,791,671

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75%) or 1-percentage-point higher (4.75%) than the current discount rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
Total OPEB liability (asset)	\$ 6,347,103	\$ 5,791,671	\$ 5,296,919

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.3%) or 1-percentage-point higher (7.3%) than the current healthcare cost trend rates:

	1% Decrease (5.3%)	Healthcare Cost Trend Rates (6.3%)	1% Increase (7.3%)
Total OPEB liability (asset)	\$ 5,177,640	\$ 5,791,671	\$ 6,523,268

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2018, the County recognized OPEB expense of \$(5,879).

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,766,402	\$ -
Changes of assumptions	-	10,463,640
Total	\$ 10,766,402	\$ 10,463,640

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,		
2019	\$	44,722
2020		44,722
2021		44,722
2022		44,722
2023		44,722
Thereafter		79,152
	\$	302,762

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, thefts, damage and destruction of assets; errors and omissions; and natural disasters. The County is Self- Insured for Workers' Compensation claims and certain cancer benefits for eligible firefighters. The Self-Insurance Policy is described below. The County has purchased insurance for all other risks of loss. Losses have not exceeded insurance coverage in the last three years.

The County is required by the State Board of Workers' Compensation to purchase a Workers' Compensation Excess Policy. The current policy provider is Midwest Employers & Casualty Company. Due to the better than average expected losses the policy renewed in 2018 had a Self-Insured Retention (SIR) of \$600,000. Previously the County had a \$500,000 SIR for employees and a \$750,000 SIR for Police and Fire. The County is liable up to the SIR amount. Once the SIR is reached, the County is not liable for anything over this excess amount and the County is reimbursed. The County's current Experience Modification factor is .68. An Experience Modification Factor of 1.0 is the industry average. The County uses a Third Party Administrator, Key Risk Management Services, to administer the Workers' Compensation claims. This activity is recorded in the fund where the injured employee is compensated. The following describes the activity related to these claims based on actual claims presented after fiscal year-end and historical experience. Based on historical payouts of the claims, management has determined that seventy-five percent (75%) of the liability would be paid within one fiscal year and is reflected in the statement of net position as such.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

Changes in the balances of claims liabilities during the current fiscal year and prior three years or periods are as follows:

Fiscal Year/ Period	Beginning of Year Claims Liability	Current Year Claims and Changes In Estimates	Claims Paid	End of Year Claims Liability
2018	\$ 718,636	\$ 328,918	\$ 646,967	\$ 400,587
2017	452,729	1,244,773	978,866	718,636
2016	494,757	796,318	838,346	452,729
2015	424,329	910,196	839,768	494,757

NOTE 13. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at September 30, 2018, the County has contractual commitments on uncompleted contracts of \$9,169,717.

Litigation:

The County is involved in several pending lawsuits. 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 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, management of the County believes such disallowances, if any, will not be significant.

NOTE 14. FUND BALANCE/NET POSITION DEFICITS

A net position deficit of \$15,925 exists in the Fleet Services Internal Services Fund. It is expected that charges for services in future years will provide positive net position.

NOTE 15. HOTEL/MOTEL LODGING TAX

The County has levied a 6% lodging tax. During the fiscal year ended September 30, 2018, the County spent \$211,797 to promote tourism, conventions, and trade shows. This is 100% of the tax receipts to be expended for these purposes under the Official Code of Georgia Annotated 48-13-51. The County complies with the requirement under this law.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 16. TAX ABATEMENTS

The public purpose of the Cherokee County Development Authority is promoting and expanding for the public good and welfare, industry and trade within Cherokee County and reducing unemployment to the greatest extent possible. The Cherokee County Development Authority, in coordination with Cherokee County government, provide a tax incentive program for qualified industries locating/located in Cherokee County. The purpose of this program is to encourage additional investment from new and existing industries to grow and diversify the tax base and local economy. Eligibility for the tax abatement program is based off of the number and quality of jobs created as well as the amount of capital investment. There are claw-back provisions should the recently located company not meet their committed jobs and capital investment numbers. For fiscal year 2018, the agreements abate up to a maximum 90 percent of the tax bills through a reduction in the assessed value though most are less than that percentage. Under these agreements, County personal and real property tax revenues were reduced by \$559,644 during the fiscal year ended September 30, 2018.

NOTE 17. SPECIAL ITEM

A special item has been recognized by the CCDA as a result of the discharge of a \$4,404,780 payable to the County. The County entered into an intergovernmental agreement with the CCDA whereby the County pledged to make certain debt service payments in the event CCDA was unable to make the required payments. CCDA's repayment of these amounts was contingent on the sale of plots of land and therefore the County had not recorded a receivable for this amount. The County forgave the CCDA of the payable during the fiscal year.

NOTE 18. RESTATEMENT

The County and its component units implemented GASB statement 75 "Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension" during fiscal year 2018. Statement No. 75 requires governments providing defined OPEB benefits to recognize their long-term obligation for OPEB benefits as a liability.

During 2018 the County discovered the Series 2007 Resource Recovery Revenue Bonds sinking fund had not been recorded in their general ledger.

The CCDA discovered that land was overstated in the previous year.

The effect of these restatements to beginning net position/fund balance is as follows:

	Governmental Activities	Business-Type Activities	Resource Recovery Development Authority	EMS Fund
Restatement - Deferred Outflows of Resources	958,929,680	2,969,624	297,474	2,458,491
OPEB obligation	(5,481,737)	(378,821)	-	(378,821)
Restatement - Sinking Fund	610,746	-	610,746	-
Beginning Net Position/Fund Balance after Restatement	<u>\$ 954,058,689</u>	<u>\$ 2,590,803</u>	<u>\$ 908,220</u>	<u>\$ 2,079,670</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

	<u>Department of Public Health</u>	<u>Cherokee County Development Authority</u>	<u>Sequoyah Regional Library System</u>
Beginning Net Position/Fund Balance before Restatement	\$ (2,913,918)	\$ (1,802,197)	\$ 6,132,444
Restatement - Total OPEB Liability	(6,655,923)	-	(3,107,170)
Restatement - Land	-	(665,993)	-
Beginning Net Position/Fund Balance after Restatement	<u>\$ (9,569,841)</u>	<u>\$ (2,468,190)</u>	<u>\$ 3,025,274</u>

The effects of these restatements to previously reported changes in net position/fund balance has not been determined.

Cherokee County, Georgia
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability
and Related Ratios

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
Service cost	\$ 4,243,211	\$ 3,704,315	\$ 3,343,650	\$ 3,232,735
Interest on total pension liability	8,729,649	8,040,120	7,411,828	6,841,216
Benefit payments, including refunds of employee contributions	(7,123,049)	(5,725,728)	(5,402,934)	(4,931,584)
Changes in assumptions	248,807	4,142,261	3,165,452	-
Differences in expected and actual experience	7,274,695	3,745,052	2,722,097	-
Net change in total pension liability	13,373,313	13,906,020	11,240,093	5,142,367
Total pension liability-beginning	123,970,481	110,064,461	98,824,368	93,682,001
Total pension liability-ending (a)	<u>\$ 137,343,794</u>	<u>\$ 123,970,481</u>	<u>\$ 110,064,461</u>	<u>\$ 98,824,368</u>
Plan fiduciary net position				
Contributions-employer	\$ 6,983,937	\$ 5,098,795	\$ 3,211,208	\$ 3,284,519
Contributions-employee	3,892,462	3,661,184	3,415,883	3,161,975
Net investment income	10,840,433	4,409,878	462,301	3,735,315
Benefit payments, including refunds of employee contributions	(7,123,049)	(5,725,728)	(5,207,647)	(4,931,584)
Administrative expenses	(211,606)	(199,710)	(189,319)	(172,667)
Other	(558,648)	(543,269)	(669,631)	(89,595)
Net change in plan fiduciary net position	13,823,529	6,701,150	1,022,795	4,987,963
Plan fiduciary net position-beginning	66,411,987	59,710,837	58,688,042	53,700,079
Plan fiduciary net position-ending (b)	<u>\$ 80,235,516</u>	<u>\$ 66,411,987</u>	<u>\$ 59,710,837</u>	<u>\$ 58,688,042</u>
County's net pension liability (assets) - ending (a) - (b)	<u>\$ 57,108,278</u>	<u>\$ 57,558,494</u>	<u>\$ 50,353,624</u>	<u>\$ 40,136,326</u>
Plan fiduciary net position as a percentage of the total pension liability	58.42%	53.57%	54.25%	59.39%
Covered payroll	\$ 60,638,360	\$ 55,298,160	\$ 51,554,723	\$ 48,386,989
County's net pension liability as a percentage of covered payroll	94.18%	104.09%	97.67%	82.95%

Notes to the Schedule:

The schedule above is intended to show information for 10 years. Additional years will be displayed as they become available.

Cherokee County, Georgia
Required Supplementary Information
Schedule of Pension Contributions

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 7,504,938	\$ 6,208,858	\$ 4,829,519	\$ 4,044,842	\$ 3,871,516
Contributions in relation to the actuarially determined contribution	<u>8,846,419</u>	<u>6,606,852</u>	<u>4,729,308</u>	<u>3,360,194</u>	<u>3,162,573</u>
Contribution deficiency (excess)	<u>\$ (1,341,481)</u>	<u>\$ (397,994)</u>	<u>\$ 100,211</u>	<u>\$ 684,648</u>	<u>\$ 708,943</u>
Covered payroll	\$ 62,731,597	\$ 67,376,355	\$ 55,298,160	\$ 51,554,723	\$ 48,386,989
Contributions as a percentage of covered payroll	14.10%	9.81%	8.55%	6.52%	6.54%

Notes to the Schedule:

Valuation Date: January 1, 2017
Actuarial cost method: Entry Age Normal
Asset valuation method: Smoothed market value with a 5-year smoothing period

Assumed Rate of Return on Investments: 7.25%
Projected Salary Increases: 3.50% - 5.50% (including 2.00% for inflation)
Cost-of-living Adjustment: 2.00%
Amortization method: Closed level dollar for unfunded liability
Remaining Amortization Period: None remaining

The schedule above is intended to show information for 10 years. Additional years will be displayed as they become available.

Cherokee County, Georgia
 Required Supplementary Information
 Schedule of Changes in the County's Total OPEB Liability and Related Ratios

	2018
Total OPEB liability	
Service cost	\$ 383,243
Interest on total OPEB liability	206,055
Changes of benefit terms	-
Differences between expected and actual experience	(12,009,229)
Changes of assumptions	12,356,713
Employer Contributions	(639,899)
Net change in total OPEB liability	296,883
Total OPEB liability - beginning	5,494,788
Total OPEB liability - ending	\$ 5,791,671
Covered payroll	\$ 58,902,161
County's total OPEB liability as a percentage of covered payroll	9.8%

Notes to the Schedule:

The schedule above is intended to show information for 10 years. Additional years will be displayed as they become available. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Major assumption changes:

Discount rate increased from 3.35% to 3.75%

Medical trend rate updated 6.3% based on current industry trend index.

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended September 30, 2018

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 58,133,373	\$ 58,330,498	\$ 59,549,988	\$ 1,219,490
Franchise taxes	2,317,521	2,317,521	2,617,895	300,374
Insurance premiums taxes	9,200,000	9,273,817	10,029,142	755,325
Licenses and permits	2,922,071	2,922,071	3,235,130	313,059
Intergovernmental	42,000	42,000	184,476	142,476
Fines and forfeitures	4,209,791	4,218,183	5,140,079	921,896
Charges for services	6,837,489	6,837,489	7,543,494	706,005
Interest	225,000	225,000	695,107	470,107
Other	921,973	924,955	946,637	21,682
Total revenues	84,809,218	85,091,534	89,941,948	4,850,414
Expenditures				
Current:				
General government				
County commission	266,652	918,965	918,966	(1)
County manager	653,091	653,091	639,072	14,019
County clerk	131,111	148,752	148,751	1
Administrative services agencies	282,898	282,898	276,753	6,145
Elections	815,548	815,548	772,827	42,721
Finance	714,542	714,542	707,514	7,028
Purchasing	263,346	263,346	260,273	3,073
County attorney	360,170	402,277	402,277	-
Data processing	2,556,005	2,556,005	2,406,994	149,011
Human resources	398,774	404,532	404,535	(3)
Tax commissioner	1,868,839	1,868,839	1,786,987	81,852
Tax commissioner (TAVT)	220,242	220,242	216,691	3,551
Tax assessor	2,535,126	2,566,791	2,561,160	5,631
Development services administration	452,329	452,329	365,878	86,451
GIS/mapping	346,744	346,744	328,913	17,831
Building and grounds	1,820,133	1,893,591	1,894,335	(744)
General administration	282,751	1,776,137	1,669,498	106,639
Rental property	13,721	16,703	16,703	-
Total general government	13,982,022	16,301,332	15,778,127	523,205
Judicial				
Court administration	1,762,677	1,762,677	1,664,647	98,030
Superior court	433,773	433,773	380,623	53,150
Clerk of superior court	3,576,082	3,576,082	3,526,024	50,058
Board of equalization	26,713	26,713	21,483	5,230
Clerk of court technology fund	249,000	249,000	161,194	87,806
District attorney	2,541,236	2,541,236	2,387,630	153,606
State court	887,787	896,179	799,853	96,326

(continued on next page)

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended September 30, 2018

	Budget		Actual	Variance With Final Budget
	Original	Final		
Judicial (continued)				
State court solicitor	1,824,482	1,824,482	1,741,550	82,932
Magistrate court	424,748	424,748	407,794	16,954
Probate court	823,492	823,492	802,196	21,296
Indigent defense	1,976,787	2,011,276	2,011,276	-
Office of solicitor general	10,000	10,000	1,611	8,389
Juvenile court	1,220,985	1,222,407	1,222,411	(4)
Juvenile court supervision	91,844	91,844	35,846	55,998
Total judicial	15,849,606	15,893,909	15,164,138	729,771
Public safety				
Coroner	214,470	214,470	176,223	38,247
Vice control	1,154,039	1,196,621	1,196,620	1
Law enforcement administration	3,039,852	2,948,556	2,948,557	(1)
Criminal investigation	2,771,332	2,716,239	2,685,255	30,984
Uniform patrol	9,247,672	8,956,544	8,956,544	-
Sheriff training division	1,021,207	1,182,244	1,182,244	-
Intelligence division	604,955	586,133	586,133	-
Special operations	2,702,279	2,730,931	2,730,930	1
Adult detention facility	13,775,904	14,155,576	14,140,638	14,938
Emergency management	294,766	294,766	288,300	6,466
Court services	2,446,981	2,306,501	2,306,501	-
Office of professional standards	237,767	231,242	231,244	(2)
Sheriff crossing guard	202,973	182,989	182,988	1
Animal control	455,017	455,017	448,203	6,814
Total public safety	38,169,214	38,157,829	38,060,380	97,449
Public works				
Recycling	309,649	309,649	285,735	23,914
Roads	3,855,133	3,855,133	3,583,472	271,661
Stormwater management	387,370	387,370	360,463	26,907
Engineering	1,092,779	1,092,779	1,078,107	14,672
Postclosure care	167,700	207,405	207,405	-
Total public works	5,812,631	5,852,336	5,515,182	337,154
Health and welfare				
Public health administration	204,201	204,201	201,539	2,662
Aid to dependent children	97,000	97,000	91,401	5,599
Aid to the disabled	12,000	12,000	12,000	-
Children and youth services	36,300	36,300	36,300	-
County extension	84,163	85,169	85,169	-
Senior center	4,935	4,935	4,261	674
Total health and welfare	438,599	439,605	430,670	8,935

(continued on next page)

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Year Ended September 30, 2018

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Housing and development				
Code enforcement	1,184,172	1,184,172	1,174,743	9,429
Conservation	70,246	70,246	70,246	-
Planning and zoning	999,762	999,762	881,998	117,764
Permits and inspections	735,487	802,448	806,644	(4,196)
Forestry services	14,561	14,561	14,561	-
UCS economic development	557,187	557,187	557,187	-
Economic development	45,000	45,000	45,000	-
Total housing and development	<u>3,606,415</u>	<u>3,673,376</u>	<u>3,550,379</u>	<u>122,997</u>
Culture and recreation				
Community arts centers	40,000	40,000	40,000	-
Historical Society	31,561	31,561	29,591	1,970
Library	2,191,783	2,191,783	2,191,783	-
Total recreation and culture	<u>2,263,344</u>	<u>2,263,344</u>	<u>2,261,374</u>	<u>1,970</u>
Debt service:				
Principal	175,912	175,912	147,763	28,149
Interest	15,861	15,861	12,597	3,264
Total debt service	<u>191,773</u>	<u>191,773</u>	<u>160,360</u>	<u>31,413</u>
Total expenditures	<u>80,313,604</u>	<u>82,773,504</u>	<u>80,920,610</u>	<u>1,852,894</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,495,614</u>	<u>2,318,030</u>	<u>9,021,338</u>	<u>6,703,308</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	-	31,665	78,990	47,325
Issuance of capital lease	270,644	953,974	1,050,951	96,977
Insurance reimbursement	-	-	49,820	49,820
Transfers in	209,221	209,221	209,221	-
Transfers out	(5,475,479)	(5,538,274)	(5,518,205)	20,069
Total other financing sources (uses)	<u>(4,995,614)</u>	<u>(4,343,414)</u>	<u>(4,129,223)</u>	<u>214,191</u>
Net change in fund balance	(500,000)	(2,025,384)	4,892,115	6,917,499
Fund balance, beginning of year	<u>29,669,007</u>	<u>29,669,007</u>	<u>29,669,007</u>	<u>-</u>
Fund balance, end of year	<u>\$ 29,169,007</u>	<u>\$ 27,643,623</u>	<u>\$ 34,561,122</u>	<u>\$ 6,917,499</u>

**Cherokee County, Georgia
Fire District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	\$24,101,206	\$24,101,206	\$ 24,197,216	\$ 96,010
Licenses and permits	60,000	60,000	70,928	10,928
Intergovernmental	4,948,845	4,961,540	5,441,217	479,677
Charges for services	2,000	2,000	5,574	3,574
Interest	40,000	40,000	164,344	124,344
Total revenues	<u>29,152,051</u>	<u>29,164,746</u>	<u>29,879,279</u>	<u>714,533</u>
Expenditures				
Current				
Public safety	<u>29,001,227</u>	<u>29,147,470</u>	<u>27,816,243</u>	<u>1,331,227</u>
Total expenditures	<u>29,001,227</u>	<u>29,147,470</u>	<u>27,816,243</u>	<u>1,331,227</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>150,824</u>	<u>17,276</u>	<u>2,063,036</u>	<u>2,045,760</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	3,261	3,261
Transfers out	<u>(650,824)</u>	<u>(2,713,989)</u>	<u>(2,713,989)</u>	<u>-</u>
Total other financing sources (uses)	<u>(650,824)</u>	<u>(2,713,989)</u>	<u>(2,710,728)</u>	<u>3,261</u>
Net Change in Fund Balances	(500,000)	(2,696,713)	(647,692)	2,049,021
Fund Balances Beginning of Year	<u>7,274,078</u>	<u>7,274,078</u>	<u>7,274,078</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 6,774,078</u>	<u>\$ 4,577,365</u>	<u>\$ 6,626,386</u>	<u>\$ 2,049,021</u>

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Sheriff's Commissary Fund – to account for the proceeds of jail inmate commissary sales. These revenues have been committed by the Sheriff to be used on the County Jail and the inmates.

Law Library Fund – to provide for the operation and maintenance of the County's law library. The revenues collected are from legally restricted fines, as restricted by State law.

Senior Services Fund – to account for funds received from various State and local agencies to be expended for social welfare programs, including services for senior citizens. The revenues are generated by Federal and State grants, which are restricted for providing senior services.

Confiscated Assets Fund– to account for confiscated cash seizures by Cherokee County Law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel, as restricted by State law.

Multiple Grant Fund – to account for restricted grant monies received from various Federal and State agencies.

Drug Abuse and Treatment Fund – to account for collection of penalty assessments in certain drug related court cases. Proceeds are restricted by State law for drug abuse treatment and education programs.

Animal Services Fund – to account activities of the animal shelter. The County has committed 50% of the landfill host fees to cover operating costs for the animal shelter.

DUI Court Fund – to account for the coordination of substance abuse intervention with judicial support. Revenues are generated by a fine assessment, as restricted in use by State law.

Victim/Witness Fund – to account for the 4% fee added to Court fines restricted by State law, for the benefit of victims of crime and their families.

Parks and Recreation Fund – to account for the charges for services and activities of the County's parks and recreation department. The County has committed the charges generated from the park and recreation programs and alcohol excise taxes to be used for supporting park and recreation functions.

DA Confiscated Assets Fund – to account for District Attorney's (DA) share of confiscated cash seizures by Cherokee County Law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel, as restricted by State law.

CDBG Fund – to account for the community development block receipts and the expenditures related to the grant. Grant receipts are federally restricted for specific purposes in order to provide benefits to low to moderate income groups.

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

Jail Fund – to account for collection of penalty assessments in certain court cases. Proceeds are restricted for construction, operation, and staffing of County correctional and detention center, as required by State law.

Sheriff's Forfeitures Fund– to account for forfeitures to the County's Sheriff's office. These forfeitures are restricted to be used to offset costs of drug prevention and drug traffic enforcement, as required by State law.

E-911 Fund – to account for the activities of the County's E-911 system. Financing is provided by program charges. Revenues are expended for system operations and capital assets, as restricted by State law.

Hotel/Motel Fund– to account for monies collected from the 6% lodging tax. Revenues collected are restricted by State law for the promotion of tourism.

Transportation– to account for the revenues and operating expenses of the City's public transportation system. Revenues of this fund are primarily from federally restricted grants.

Drug Accountability Court– to account for the enhancement of ancillary services that prevent recidivism such as individualized treatment, vocational and educational services and community reintegration services to achieve long term recovery. Funds are provided by fees charged to participants in the program plus grant revenue, and transfers from the DATE Fund, and are legally restricted for specific use.

Mental Health Court– to account for the revenues and operating expenditures of the County's Mental Health Court which supports the needs of the mentally ill who come in contact with the justice system. Revenues of this fund are primarily grant revenues and transfers from the DATE Fund.

Drug Screening Lab– to accounts for the operations and proceeds of the County's Drug Screening Lab.

Capital Projects Funds

Recreation Bond - To account for proceeds of park bonds issued in 2009, 2010, and 2012 to fund the various park and recreation projects.

Resource Recovery Development Authority- to account for proceeds of an industrial development bond used to help promote recycling opportunities within the County and the debt service related to the repayment of the bond.

Impact Fees- to account for monies collected from a new development based on that development's fair share of the cost to provide additional facilities in the following categories: public roads, libraries, public safety, fire protection, and parks.

Debt Service Fund

Debt Service Fund- to account for the accumulation of resources for repayment of the General Obligation Bonds.

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Funds										
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Parks and Recreation	DA Confiscated Assets
Assets											
Cash	\$ 642,412	\$ 285,122	\$ 112,294	\$ 118,223	\$ -	\$ 580,141	\$ 285,604	\$ 962,772	\$ 46,376	\$ 663,247	\$ 66,529
Investments	-	256,584	-	-	-	-	-	-	-	-	-
Property taxes receivable, net	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	59	-	161,354	845	-	459,089	-
Due from other governments	-	-	209,362	-	258,401	7,288	191	24,656	16,599	-	-
Prepaid items	-	-	344	-	73	-	121	97	-	5,633	-
Total Assets	\$ 642,412	\$ 541,706	\$ 322,000	\$ 118,223	\$ 258,533	\$ 587,429	\$ 447,270	\$ 988,370	\$ 62,975	\$ 1,127,969	\$ 66,529
Liabilities, Deferred Inflows of Resources, and Fund Balances											
Liabilities											
Accounts payable	\$ -	\$ -	\$ 36,701	\$ -	\$ 16,658	\$ -	\$ 24,274	\$ 20,416	\$ 26	\$ 132,757	\$ -
Accrued liabilities	-	-	17,087	-	19,997	2,641	16,274	3,088	1,769	44,167	-
Due to other funds	-	-	-	-	57,833	-	-	-	-	-	-
Total Liabilities	-	-	53,788	-	94,488	2,641	40,548	23,504	1,795	176,924	-
Deferred Inflows of Resources											
Unearned revenue- advance registration fees	-	-	-	-	-	-	-	-	-	519,371	-
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	519,371	-
Fund Balances											
Nonspendable:											
Prepaid items	-	-	344	-	73	-	121	97	-	5,633	-
Restricted:											
Law library operations	-	541,706	-	-	-	-	-	-	-	-	-
Senior services	-	-	267,868	-	-	-	-	-	-	-	-
Public safety	-	-	-	118,223	-	-	-	-	-	-	-
Court services	-	-	-	-	-	584,788	-	964,769	-	-	66,529
SPLOST projects	-	-	-	-	-	-	-	-	-	-	-
Grant activities	-	-	-	-	163,972	-	-	-	-	-	-
Jail operations and construction	-	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	61,180	-	-
Cultural and recreation construction	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-	-	-
Committed:											
Jail and inmate services	642,412	-	-	-	-	-	-	-	-	-	-
Animal control	-	-	-	-	-	-	406,601	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-	426,041	-
Total Fund Balances	642,412	541,706	268,212	118,223	164,045	584,788	406,722	964,866	61,180	431,674	66,529
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 642,412	\$ 541,706	\$ 322,000	\$ 118,223	\$ 258,533	\$ 587,429	\$ 447,270	\$ 988,370	\$ 62,975	\$ 1,127,969	\$ 66,529

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue Fund								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
Assets									
Cash	\$ -	\$ 926,818	\$ 20,006	\$ 2,468,827	\$ -	\$ 27,311	\$ 320,235	26	\$ 56,570
Investments	-	-	-	-	-	-	-	-	-
Property taxes receivable, net	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	744,366	16,033	-	105	-	2,900
Due from other governments	101,846	32,797	-	-	-	273,081	79,741	21,497	-
Prepaid items	24	-	-	242	-	73	48	-	-
Total Assets	\$ 101,870	\$ 959,615	\$ 20,006	\$ 3,213,435	\$ 16,033	\$ 300,465	\$ 400,129	\$ 21,523	\$ 59,470
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	\$ 64,510	\$ 5,259	\$ -	\$ 26,077	\$ -	\$ 18,525	\$ 27,324	\$ 1,846	\$ 16,359
Accrued liabilities	2,695	-	-	67,784	-	13,367	5,444	1,056	2,401
Due to other funds	33,725	-	-	-	16,033	-	-	15,786	-
Total Liabilities	100,930	5,259	-	93,861	16,033	31,892	32,768	18,688	18,760
Deferred Inflows of Resources									
Unearned revenue- advance registration fees	-	-	-	-	-	-	-	-	-
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable:									
Prepaid items	24	-	-	242	-	73	48	-	-
Restricted:									
Law library operations	-	-	-	-	-	-	-	-	-
Senior services	-	-	-	-	-	-	-	-	-
Public safety	-	-	20,006	-	-	-	-	-	-
Court services	-	-	-	-	-	-	-	-	40,710
Grant activities	916	-	-	-	-	-	367,313	2,835	-
Jail operations and construction	-	954,356	-	-	-	-	-	-	-
E911 operations	-	-	-	3,119,332	-	-	-	-	-
Health and welfare	-	-	-	-	-	268,500	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Cultural and recreation construction	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-
Committed:									
Jail and inmate services	-	-	-	-	-	-	-	-	-
Animal control	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-
Total Fund Balances	940	954,356	20,006	3,119,574	-	268,573	367,361	2,835	40,710
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 101,870	\$ 959,615	\$ 20,006	\$ 3,213,435	\$ 16,033	\$ 300,465	\$ 400,129	\$ 21,523	\$ 59,470

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Capital Projects Funds				
	Resource Recovery		Impact	Debt	Total
	Recreation	Development			
	Bond	Authority	Fees	Service	
Assets					
Cash	\$ 385,464	\$ 682,620	\$ 9,000,944	\$ 1,255,265	\$ 18,906,806
Investments	-	-	-	-	256,584
Property taxes receivable, net	-	-	-	4,965,858	4,965,858
Accounts receivable, net	-	-	1,466	-	1,386,217
Due from other governments	-	-	10,035	-	1,035,494
Prepaid items	-	256,647	-	-	263,302
Total Assets	\$ 385,464	\$ 939,267	\$ 9,012,445	\$ 6,221,123	\$ 26,814,261
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 154,576	\$ -	\$ -	\$ 550	\$ 545,858
Accrued liabilities	-	-	-	777,322	975,092
Due to other funds	-	-	-	-	123,377
Total Liabilities	154,576	-	-	777,872	1,644,327
Deferred Inflows of Resources					
Unearned revenue- advance registration fees	-	-	-	-	519,371
Unavailable revenue- property taxes	-	-	-	5,271,888	5,271,888
Total Deferred Inflows of Resources	-	-	-	5,271,888	5,791,259
Fund Balances					
Nonspendable:					
Prepaid items	-	256,647	-	-	263,302
Restricted:					
Law library operations	-	-	-	-	541,706
Senior services	-	-	-	-	267,868
Public safety	-	-	-	-	138,229
Court services	-	-	-	-	1,656,796
Grant activities	-	-	-	-	535,036
Jail operations and construction	-	-	-	-	954,356
E911 operations	-	-	-	-	3,119,332
Health and welfare	-	-	-	-	329,680
Debt service	-	682,620	-	171,363	853,983
Cultural and recreation construction	230,888	-	-	-	230,888
Impact fees	-	-	9,012,445	-	9,012,445
Committed:					
Jail and inmate services	-	-	-	-	642,412
Animal control	-	-	-	-	406,601
Parks and recreation activities	-	-	-	-	426,041
Total Fund Balances	230,888	939,267	9,012,445	171,363	19,378,675
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 385,464	\$ 939,267	\$ 9,012,445	\$ 6,221,123	\$ 26,814,261

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Special Revenue										
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Parks and Recreation	DA Confiscated Assets
Revenues											
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alcoholic beverage taxes	-	-	-	-	-	-	-	-	-	1,102,518	-
Other taxes	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	757,155	-	1,083,772	-	-	105,787	-	-	-
Fines and forfeitures	-	112,312	-	172,296	4,355	224,547	-	354,400	227,281	-	6,759
Charges for services	713,179	4,030	28,964	-	-	-	739,638	-	-	2,642,372	-
Investment income	-	4,776	-	74	-	5,925	-	-	-	-	-
Contributions	-	-	11,070	-	209,763	-	27,601	66,229	-	45,000	-
Other	-	-	175	-	-	-	-	-	-	63,818	-
Total Revenues	713,179	121,118	797,364	172,370	1,297,890	230,472	767,239	526,416	227,281	3,853,708	6,759
Expenditures											
Current:											
General government	-	-	-	-	54,836	-	-	-	-	-	-
Judicial	-	164,680	-	-	771,226	134,737	-	542,285	87,978	-	681
Public safety	524,329	-	-	189,022	692,679	-	1,189,982	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	1,272,347	-	-	-	-	-	120,000	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	5,079,180	-
Housing and development	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	6,823	-	-	-	-	-	-	21,184	-
Interest	-	-	1,853	-	-	-	-	-	-	5,959	-
Total Expenditures	524,329	164,680	1,281,023	189,022	1,518,741	134,737	1,189,982	542,285	207,978	5,106,323	681
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,850	(43,562)	(483,659)	(16,652)	(220,851)	95,735	(422,743)	(15,869)	19,303	(1,252,615)	6,078
Other Financing Sources (Uses)											
Proceeds from sale of capital assets	-	-	3,500	-	-	-	-	-	-	7,155	-
Issuance of capital lease	-	-	15,002	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	-	-	-	-	42,700	-
Transfers in	-	-	585,120	-	222,186	-	476,831	88,020	-	1,364,392	-
Transfers out	-	-	-	-	-	(130,954)	-	-	-	(100,000)	-
Total Other Financing Sources (Uses)	-	-	603,622	-	222,186	(130,954)	476,831	88,020	-	1,314,247	-
Net Change in Fund Balances	188,850	(43,562)	119,963	(16,652)	1,335	(35,219)	54,088	72,151	19,303	61,632	6,078
Fund Balances Beginning of Year, before Restatement	453,562	585,268	148,249	134,875	162,710	620,007	352,634	892,715	41,877	370,042	60,451
Restatement	-	-	-	-	-	-	-	-	-	-	-
Fund Balances Beginning of Year, after Restatement	453,562	585,268	148,249	134,875	162,710	620,007	352,634	892,715	41,877	370,042	60,451
Fund Balances End of Year	\$ 642,412	\$ 541,706	\$ 268,212	\$ 118,223	\$ 164,045	\$ 584,788	\$ 406,722	\$ 964,866	\$ 61,180	\$ 431,674	\$ 66,529

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Special Revenue								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alcoholic beverage taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	211,797	-	-	-	-
Intergovernmental	1,369,515	-	-	-	-	488,251	282,138	67,734	-
Fines and forfeitures	-	455,869	13,312	-	-	-	112,777	3,144	-
Charges for services	-	-	-	4,863,461	-	418,151	-	-	365,624
Investment income	-	8,243	-	21,894	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-
Other	-	-	-	4	-	878	-	-	-
Total Revenues	<u>1,369,515</u>	<u>464,112</u>	<u>13,312</u>	<u>4,885,359</u>	<u>211,797</u>	<u>907,280</u>	<u>394,915</u>	<u>70,878</u>	<u>365,624</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	492,351	75,718	302,268
Public safety	-	337,402	50,250	4,510,752	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,127,643	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Housing and development	1,369,515	-	-	-	100,000	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,369,515</u>	<u>337,402</u>	<u>50,250</u>	<u>4,510,752</u>	<u>100,000</u>	<u>1,127,643</u>	<u>492,351</u>	<u>75,718</u>	<u>302,268</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	126,710	(36,938)	374,607	111,797	(220,363)	(97,436)	(4,840)	63,356
Other Financing Sources (Uses)									
Proceeds from sale of capital assets	-	1,215	-	-	-	-	-	-	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	2,159	-	-	-
Transfers in	-	-	-	-	-	395,235	115,295	7,675	-
Transfers out	-	-	-	-	(111,797)	-	-	-	(88,020)
Total Other Financing Sources (Uses)	-	1,215	-	-	(111,797)	397,394	115,295	7,675	(88,020)
Net Change in Fund Balances	-	127,925	(36,938)	374,607	-	177,031	17,859	2,835	(24,664)
Fund Balances Beginning of Year, before Restatement	940	826,431	56,944	2,744,967	-	91,542	349,502	-	65,374
Restatement	-	-	-	-	-	-	-	-	-
Fund Balances Beginning of Year, after Restatement	940	826,431	56,944	2,744,967	-	91,542	349,502	-	65,374
Fund Balances End of Year	<u>\$ 940</u>	<u>\$ 954,356</u>	<u>\$ 20,006</u>	<u>\$ 3,119,574</u>	<u>\$ -</u>	<u>\$ 268,573</u>	<u>\$ 367,361</u>	<u>\$ 2,835</u>	<u>\$ 40,710</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Capital Projects Fund				Total
	Recreation Bond	Resource Recovery Development Authority	Impact Fees	Debt Service	
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ 6,180,200	\$ 6,180,200
Alcoholic beverage taxes	-	-	-	-	1,102,518
Other taxes	-	-	-	-	211,797
Intergovernmental	-	-	250,377	-	4,404,729
Fines and forfeitures	-	-	-	-	1,687,052
Charges for services	-	-	1,941,484	-	11,716,903
Investment income	28,189	1,680	106,013	-	176,794
Contributions	-	-	-	-	359,663
Other	-	142,236	-	166,283	373,394
Total Revenues	<u>28,189</u>	<u>143,916</u>	<u>2,297,874</u>	<u>6,346,483</u>	<u>26,213,050</u>
Expenditures					
Current:					
General government	-	-	29,693	144,920	229,449
Judicial	-	-	-	-	2,571,924
Public safety	-	-	-	-	7,494,416
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	2,519,990
Culture and recreation	143,769	-	-	-	5,222,949
Housing and development	-	-	-	-	1,469,515
Intergovernmental	-	-	100,000	-	100,000
Capital outlay	892,197	-	-	-	892,197
Debt service:					
Principal	-	455,000	-	4,460,000	4,943,007
Interest	-	547,206	-	1,624,552	2,179,570
Total Expenditures	<u>1,035,966</u>	<u>1,002,206</u>	<u>129,693</u>	<u>6,229,472</u>	<u>27,623,017</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,007,777)	(858,290)	2,168,181	117,011	(1,409,967)
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	-	-	-	-	11,870
Issuance of capital lease	-	-	-	-	15,002
Insurance reimbursement	-	-	-	-	44,859
Transfers in	-	889,337	-	-	4,144,091
Transfers out	-	-	(1,236,098)	-	(1,666,869)
Total Other Financing Sources (Uses)	<u>-</u>	<u>889,337</u>	<u>(1,236,098)</u>	<u>-</u>	<u>2,548,953</u>
Net Change in Fund Balances	<u>(1,007,777)</u>	<u>31,047</u>	<u>932,083</u>	<u>117,011</u>	<u>1,138,986</u>
Fund Balances Beginning of Year, before Restatement	1,238,665	297,474	8,080,362	54,352	17,628,943
Restatement	-	610,746	-	-	610,746
Fund Balances Beginning of Year, after Restatement	<u>1,238,665</u>	<u>908,220</u>	<u>8,080,362</u>	<u>54,352</u>	<u>18,239,689</u>
Fund Balances End of Year	<u>\$ 230,888</u>	<u>\$ 939,267</u>	<u>\$ 9,012,445</u>	<u>\$ 171,363</u>	<u>\$ 19,378,675</u>

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Sheriff's Commissary			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	600,000	600,000	713,179	113,179
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	600,000	600,000	713,179	113,179
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	600,000	600,000	524,329	75,671
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	600,000	600,000	524,329	75,671
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	188,850	188,850
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net Change in Fund Balances	-	-	188,850	188,850
Fund Balances Beginning of Year	453,562	453,562	453,562	-
Fund Balances End of Year	\$ 453,562	\$ 453,562	\$ 642,412	\$ 188,850

Law Library				Senior Services			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	674,502	674,502	757,155	82,653
115,500	115,500	112,312	(3,188)	-	-	-	-
3,000	3,000	4,030	1,030	13,000	13,000	28,964	15,964
4,000	4,000	4,776	776	-	-	-	-
-	-	-	-	10,000	10,000	11,070	1,070
-	-	-	-	-	-	175	175
122,500	122,500	121,118	(1,382)	697,502	697,502	797,364	99,862
-	-	-	-	-	-	-	-
155,000	164,681	164,680	1	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,291,150	1,291,150	1,272,347	18,803
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	7,524	7,524	6,823	701
-	-	-	-	-	-	1,853	(1,853)
155,000	164,681	164,680	1	1,298,674	1,298,674	1,281,023	17,651
(32,500)	(42,181)	(43,562)	(1,381)	(601,172)	(601,172)	(483,659)	117,513
-	-	-	-	16,052	16,052	3,500	(12,552)
-	-	-	-	-	-	15,002	15,002
-	-	-	-	-	-	-	-
-	-	-	-	585,120	585,120	585,120	-
-	-	-	-	-	-	-	-
-	-	-	-	601,172	601,172	603,622	2,450
(32,500)	(42,181)	(43,562)	(1,381)	-	-	119,963	119,963
585,268	585,268	585,268	-	148,249	148,249	148,249	-
\$ 552,768	\$ 543,087	\$ 541,706	\$ (1,381)	\$ 148,249	\$ 148,249	\$ 268,212	\$ 119,963

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	224,000	224,000	172,296	(51,704)
Charges for services	-	-	-	-
Investment income	300	300	74	(226)
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	224,300	224,300	172,370	(51,930)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	224,300	224,300	189,022	35,278
Health and welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	224,300	224,300	189,022	35,278
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(16,652)	(16,652)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net Change in Fund Balances	-	-	(16,652)	(16,652)
Fund Balances Beginning of Year	134,875	134,875	134,875	-
Fund Balances End of Year	\$ 134,875	\$ 134,875	\$ 118,223	\$ (16,652)

Multiple Grant				Drug Abuse and Treatment			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
715,288	1,439,257	1,083,772	(355,485)	-	-	-	-
-	-	4,355	4,355	228,147	228,147	224,547	(3,600)
-	-	-	-	-	-	-	-
-	-	-	-	1,000	2,370	5,925	3,555
30,000	340,270	209,763	(130,507)	-	-	-	-
-	-	-	-	-	-	-	-
745,288	1,779,527	1,297,890	(481,637)	229,147	230,517	230,472	(45)
52,000	121,390	54,836	66,554	-	-	-	-
680,073	1,071,080	771,226	299,854	133,473	134,843	134,737	106
197,692	953,258	692,679	260,579	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
929,765	2,145,728	1,518,741	626,987	133,473	134,843	134,737	106
(184,477)	(366,201)	(220,851)	145,350	95,674	95,674	95,735	61
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
184,477	227,860	222,186	(5,674)	-	-	-	-
-	-	-	-	(153,057)	(156,238)	(130,954)	25,284
184,477	227,860	222,186	(5,674)	(153,057)	(156,238)	(130,954)	25,284
-	(138,341)	1,335	139,676	(57,383)	(60,564)	(35,219)	25,345
162,710	162,710	162,710	-	620,007	620,007	620,007	-
<u>\$ 162,710</u>	<u>\$ 24,369</u>	<u>\$ 164,045</u>	<u>\$ 139,676</u>	<u>\$ 562,624</u>	<u>\$ 559,443</u>	<u>\$ 584,788</u>	<u>\$ 25,345</u>

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Animal Services			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	741,012	741,012	739,638	(1,374)
Investment income	-	-	-	-
Contributions	15,257	15,257	27,601	12,344
Other	-	-	-	-
Total revenues	756,269	756,269	767,239	10,970
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	1,233,100	1,233,100	1,189,982	43,118
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,233,100	1,233,100	1,189,982	43,118
Excess (Deficiency) of Revenues Over (Under) Expenditures	(476,831)	(476,831)	(422,743)	54,088
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	476,831	476,831	476,831	-
Transfers out	-	-	-	-
Total other financing sources	476,831	476,831	476,831	-
Net Change in Fund Balances	-	-	54,088	54,088
Fund Balances Beginning of Year	352,634	352,634	352,634	-
Fund Balances End of Year	\$ 352,634	\$ 352,634	\$ 406,722	\$ 54,088

DUI Court				Victim/Witness			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
93,542	104,517	105,787	1,270	-	-	-	-
318,063	318,063	354,400	36,337	204,286	204,286	227,281	22,995
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
75,000	75,000	66,229	(8,771)	-	-	-	-
-	-	-	-	-	-	-	-
486,605	497,580	526,416	28,836	204,286	204,286	227,281	22,995
-	-	-	-	-	-	-	-
714,854	725,829	542,285	183,544	98,958	98,958	87,978	10,980
-	-	-	-	-	-	-	-
-	-	-	-	120,000	120,000	120,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
714,854	725,829	542,285	183,544	218,958	218,958	207,978	10,980
(228,249)	(228,249)	(15,869)	212,380	(14,672)	(14,672)	19,303	33,975
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
88,020	88,020	88,020	-	-	-	-	-
-	-	-	-	-	-	-	-
88,020	88,020	88,020	-	-	-	-	-
(140,229)	(140,229)	72,151	212,380	(14,672)	(14,672)	19,303	33,975
892,715	892,715	892,715	-	41,877	41,877	41,877	-
<u>\$ 752,486</u>	<u>\$ 752,486</u>	<u>\$ 964,866</u>	<u>\$ 212,380</u>	<u>\$ 27,205</u>	<u>\$ 27,205</u>	<u>\$ 61,180</u>	<u>\$ 33,975</u>

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Parks and Recreation			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 1,066,000	\$ 1,066,000	\$ 1,102,518	\$ 36,518
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	2,596,300	2,733,061	2,642,372	(90,689)
Investment income	-	-	-	-
Contributions	40,000	40,000	45,000	5,000
Other	13,600	13,600	63,818	50,218
Total revenues	3,715,900	3,852,661	3,853,708	1,047
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	4,961,089	5,140,550	5,079,180	61,370
Housing and development	-	-	-	-
Debt service:				
Principal	23,659	23,659	21,184	2,475
Interest	3,544	3,544	5,959	(2,415)
Total expenditures	4,988,292	5,167,753	5,106,323	61,430
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,272,392)	(1,315,092)	(1,252,615)	62,477
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	8,000	8,000	7,155	(845)
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	42,700	42,700	-
Transfers in	1,364,392	1,364,392	1,364,392	-
Transfers out	(100,000)	(100,000)	(100,000)	-
Total other financing sources	1,272,392	1,315,092	1,314,247	(845)
Net Change in Fund Balances	-	-	61,632	61,632
Fund Balances Beginning of Year	370,042	370,042	370,042	-
Fund Balances End of Year	\$ 370,042	\$ 370,042	\$ 431,674	\$ 61,632

DA Confiscated Assets				CDBG			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,114,001	1,369,515	1,369,515	-
35,000	35,000	6,759	(28,241)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,000	35,000	6,759	(28,241)	1,114,001	1,369,515	1,369,515	-
-	-	-	-	-	-	-	-
35,000	35,000	681	34,319	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,114,001	1,369,515	1,369,515	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,000	35,000	681	34,319	1,114,001	1,369,515	1,369,515	-
-	-	6,078	6,078	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,078	6,078	-	-	-	-
60,451	60,451	60,451	-	940	940	940	-
\$ 60,451	\$ 60,451	\$ 66,529	\$ 6,078	\$ 940	\$ 940	\$ 940	\$ -

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Jail			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	391,000	391,000	455,869	64,869
Charges for services	-	-	-	-
Investment income	1,000	1,000	8,243	7,243
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	392,000	392,000	464,112	72,112
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	360,997	360,997	337,402	23,595
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	360,997	360,997	337,402	23,595
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,003	31,003	126,710	95,707
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	1,215	1,215
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	1,215	1,215
Net Change in Fund Balances	31,003	31,003	127,925	96,922
Fund Balances Beginning of Year	826,431	826,431	826,431	-
Fund Balances End of Year	\$ 857,434	\$ 857,434	\$ 954,356	\$ 96,922

Sheriff's Forfeiture				E-911			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
75,000	75,000	13,312	(61,688)	-	-	-	-
-	-	-	-	4,585,000	4,585,000	4,863,461	278,461
-	-	-	-	2,000	2,000	21,894	19,894
-	-	-	-	-	-	-	-
-	-	-	-	500	500	4	(496)
75,000	75,000	13,312	(61,688)	4,587,500	4,587,500	4,885,359	297,859
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
75,000	75,000	50,250	24,750	4,824,310	5,040,747	4,510,752	529,995
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
75,000	75,000	50,250	24,750	4,824,310	5,040,747	4,510,752	529,995
-	-	(36,938)	(36,938)	(236,810)	(453,247)	374,607	827,854
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(36,938)	(36,938)	(236,810)	(453,247)	374,607	827,854
56,944	56,944	56,944	-	2,744,967	2,744,967	2,744,967	-
\$ 56,944	\$ 56,944	\$ 20,006	\$ (36,938)	\$ 2,508,157	\$ 2,291,720	\$ 3,119,574	\$ 827,854

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Hotel/Motel Tax			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 207,000	\$ 211,797	\$ 211,797	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	207,000	211,797	211,797	-
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	100,000	100,000	100,000	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	100,000	100,000	100,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	107,000	111,797	111,797	-
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(107,000)	(111,797)	(111,797)	-
Total other financing sources	(107,000)	(111,797)	(111,797)	-
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning of Year	-	-	-	-
Fund Balances End of Year	\$ -	\$ -	\$ -	\$ -

Transportation				Drug Accountability Court			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
444,927	444,927	488,251	43,324	278,751	285,471	282,138	(3,333)
-	-	-	-	159,615	159,615	112,777	(46,838)
418,000	418,000	418,151	151	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	878	878	-	-	-	-
862,927	862,927	907,280	44,353	438,366	445,086	394,915	(50,171)
-	-	-	-	-	-	-	-
-	-	-	-	569,149	575,869	492,351	83,518
-	-	-	-	-	-	-	-
1,258,951	1,258,951	1,127,643	131,308	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,258,951	1,258,951	1,127,643	131,308	569,149	575,869	492,351	83,518
(396,024)	(396,024)	(220,363)	175,661	(130,783)	(130,783)	(97,436)	33,347
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,159	2,159	-	-	-	-
396,024	396,024	395,235	(789)	130,783	130,783	115,295	(15,488)
-	-	-	-	-	-	-	-
396,024	396,024	397,394	1,370	130,783	130,783	115,295	(15,488)
-	-	177,031	177,031	-	-	17,859	17,859
91,542	91,542	91,542	-	349,502	349,502	349,502	-
\$ 91,542	\$ 91,542	\$ 268,573	\$ 177,031	\$ 349,502	\$ 349,502	\$ 367,361	\$ 17,859

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Mental Health Court			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	77,375	106,000	67,734	(38,266)
Fines and forfeitures	-	-	3,144	3,144
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	77,375	106,000	70,878	(35,122)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	85,859	117,665	75,718	41,947
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	85,859	117,665	75,718	41,947
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,484)	(11,665)	(4,840)	6,825
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	8,484	11,665	7,675	(3,990)
Transfers out	-	-	-	-
Total other financing sources	8,484	11,665	7,675	(3,990)
Net Change in Fund Balances	-	-	2,835	2,835
Fund Balances Beginning of Year	-	-	-	-
Fund Balances End of Year	\$ -	\$ -	\$ 2,835	\$ 2,835

Drug Screening Lab

Budget		Actual	Variance With Final Budget
Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
343,244	343,244	365,624	22,380
-	-	-	-
-	-	-	-
-	-	-	-
343,244	343,244	365,624	22,380
-	-	-	-
255,224	302,269	302,268	1
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
255,224	302,269	302,268	1
88,020	40,975	63,356	22,381
-	-	-	-
-	-	-	-
-	-	-	-
(88,020)	(88,020)	(88,020)	-
(88,020)	(88,020)	(88,020)	-
-	(47,045)	(24,664)	22,381
65,374	65,374	65,374	-
\$ 65,374	\$ 18,329	\$ 40,710	\$ 22,381

Cherokee County, Georgia
Capital Projects Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Recreation Bond			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment income	15,000	15,000	28,189	13,189
Other	-	-	-	-
Total revenues	15,000	15,000	28,189	13,189
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	130,382	130,382	143,769	(13,387)
Intergovernmental	-	-	-	-
Capital outlay	4,333,663	4,333,663	892,197	3,441,466
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	4,464,045	4,464,045	1,035,966	3,428,079
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,449,045)	(4,449,045)	(1,007,777)	3,441,268
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net Change in Fund Balances	(4,449,045)	(4,449,045)	(1,007,777)	3,441,268
Fund Balances Beginning of Year, before Restatement	1,238,665	1,238,665	1,238,665	-
Restatement	-	-	-	-
Fund Balances Beginning of Year, after Restatement	1,238,665	1,238,665	1,238,665	-
Fund Balances End of Year	<u>\$ (3,210,380)</u>	<u>\$ (3,210,380)</u>	<u>\$ 230,888</u>	<u>\$ 3,441,268</u>

Resource Recovery Development Authority				Impact Fees			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ 101,400	\$ 101,400	\$ 250,377	\$ 148,977
-	-	-	-	1,969,625	1,969,625	1,941,484	(28,141)
-	-	1,680	1,680	42,465	42,465	106,013	63,548
142,236	142,236	142,236	-	-	-	-	-
142,236	142,236	143,916	1,680	2,113,490	2,113,490	2,297,874	184,384
-	-	-	-	538	538	29,693	(29,155)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
25,000	25,000	-	25,000	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	100,000	100,000	100,000	-
-	-	-	-	3,980,000	3,980,000	-	3,980,000
-	-	-	-	-	-	-	-
360,000	360,000	455,000	(95,000)	-	-	-	-
646,573	646,573	547,206	99,367	-	-	-	-
1,031,573	1,031,573	1,002,206	29,367	4,080,538	4,080,538	129,693	3,950,845
(889,337)	(889,337)	(858,290)	31,047	(1,967,048)	(1,967,048)	2,168,181	4,135,229
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
889,337	889,337	889,337	-	-	-	-	-
-	-	-	-	-	(1,236,098)	(1,236,098)	-
889,337	889,337	889,337	-	-	(1,236,098)	(1,236,098)	-
-	-	31,047	31,047	(1,967,048)	(3,203,146)	932,083	4,135,229
297,474	297,474	297,474	-	8,080,362	8,080,362	8,080,362	-
-	-	610,746	610,746	-	-	-	-
297,474	297,474	908,220	610,746	8,080,362	8,080,362	8,080,362	-
\$ 297,474	\$ 297,474	\$ 939,267	\$ 641,793	\$ 6,113,314	\$ 4,877,216	\$ 9,012,445	\$ 4,135,229

Cherokee County, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2018

	Debt Service			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ 6,133,428	\$ 6,133,428	\$ 6,180,200	\$ 46,772
Other	177,000	177,000	166,283	(10,717)
Total revenues	6,310,428	6,310,428	6,346,483	36,055
Expenditures				
Current:				
General government	148,150	148,150	144,920	3,230
Debt service:				
Principal	4,460,000	4,460,000	4,460,000	-
Interest and fiscal charges	1,691,646	1,691,646	1,624,552	67,094
Total expenditures	6,299,796	6,299,796	6,229,472	70,324
Net Change in Fund Balances	10,632	10,632	117,011	106,379
Fund Balances Beginning of Year	54,352	54,352	54,352	-
Fund Balances End of Year	\$ 64,984	\$ 64,984	\$ 171,363	\$ 106,379

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended September 30, 2018

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods (1)	Current Fiscal Year	Total
2005					
Special Local Option Sales Tax V	\$ 225,000,000	\$ 184,062,661	\$ 182,106,047	\$ 150,000	\$ 182,256,047
2005 Projects:					
City of Canton			\$ 13,498,831	\$ -	\$ 13,498,831
City of Mountain Park			30,097	-	30,097
City of Woodstock			14,838,179	-	14,838,179
City of Holly Springs			6,771,989	-	6,771,989
City of Ball Ground			2,098,185	-	2,098,185
City of Waleska			1,760,717	-	1,760,717
City of Nelson			707,295	-	707,295
Total intergovernmental			39,705,293	-	39,705,293
Administration building			28,457,459	-	28,457,459
Tax Commissioner/Marshal Building			4,371,256	-	4,371,256
Transportation facility & equipment			50,819,769	-	50,819,769
Park & recreation facility			11,767,943	-	11,767,943
Library facility & books			1,790,307	150,000	1,940,307
Public safety facilities & equipment			21,799,706	-	21,799,706
New emergency children's shelter			831,525	-	831,525
New driver's license facility			1,658,083	-	1,658,083
Renovation to old Woodstock Elementary School			469,624	-	469,624
Senior center expansion			352,669	-	352,669
Airport			20,082,413	-	20,082,413
Total SPLOST funded expenditures			\$ 182,106,047	\$ 150,000	\$ 182,256,047

(1) As revised.

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended September 30, 2018

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods	Current Fiscal Year	Total
2012					
Special Local Option Sales Tax VI	\$ 185,525,000	\$ 204,388,452	\$ 128,886,727	\$ 22,338,759	\$ 151,225,486
2012 Projects:					
City of Ball Ground			\$ 1,980,157	\$ 331,372	\$ 2,311,529
City of Canton			16,601,093	2,778,129	19,379,222
City of Holly Springs			6,442,421	1,078,114	7,520,535
City of Mountain Park			6,140	1,028	7,168
City of Nelson			690,752	115,595	806,347
City of Walesa			1,688,506	282,565	1,971,071
City of Woodstock			16,905,025	2,828,991	19,734,016
Cherokee County Airport Authority			4,718,088	-	4,718,088
Development Authority of Cherokee County			6,294,973	187,928	6,482,901
Total intergovernmental			55,327,155	7,603,722	62,930,877
ALS units			2,266,093	4,749	2,270,842
Animal control			186,735	4,749	191,484
Animal shelter renovation			3,016,468	69,912	3,086,380
City of Canton Fire Station			160,413	131,138	291,551
Courthouse expansion			743,591	30,609	774,200
E-911			1,735,478	1,200,555	2,936,033
Fire training facility			1,500,000	-	1,500,000
Fire/EMS			10,834,746	-	10,834,746
Jail expansion/enhancements			34,585	544,560	579,145
Marshal			256,591	-	256,591
Senior center			122,754	12,606	135,360
Sheriff			2,156,597	154,538	2,311,135
Sheriff training facility			1,879,662	-	1,879,662
Transportation facility & equipment			48,665,859	12,581,621	61,247,480
Total SPLOST funded expenditures			\$ 128,886,727	\$ 22,338,759	\$ 151,225,486
Expenditures funded by DOT Revenue				2,260,358	
Transportation expenditures funded by miscellaneous revenue				223,241	
Total expenditures				\$ 24,822,358	

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended September 30, 2018

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods (1)	Current Fiscal Year	Total
2018					
Special Local Option Sales Tax VII	\$ 252,961,892	\$ 252,961,892	\$ -	\$ 3,363,487	\$ 3,363,487
2018 Projects:					
City of Ball Ground			\$ -	\$ 115,956	\$ 115,956
City of Canton			-	939,334	939,334
City of Holly Springs			-	400,903	400,903
City of Mountain Park			-	25,000	25,000
City of Nelson			-	40,450	40,450
City of Walesa			-	98,877	98,877
City of Woodstock			-	1,101,133	1,101,133
Total intergovernmental			-	2,721,653	2,721,653
Courthouse facilities, equipment, improvements, and expansion			-	-	-
Business and Economic Development land acquisitions, infrastructure, and facilities			-	-	-
Fire/Emergency Services facilities, vehicles, and equipment			-	641,834	641,834
Animal Control and County Marshal vehicles and equipment			-	-	-
Emergency communication center and system improvements			-	-	-
Jail expansion/enhancements			-	-	-
Parks and Recreation facilities, equipment, and improvements			-	-	-
Law enforcement vehicles, equipment and facilities			-	-	-
Transportation facility and equipment			-	-	-
Total SPLOST funded expenditures			\$ -	\$ 3,363,487	\$ 3,363,487

CHEROKEE COUNTY, GEORGIA

INTERNAL SERVICE FUNDS

Fleet Services – To account for operations of the County's Vehicle Maintenance Department which maintains and repairs all of the County's vehicles.

Insurance and Benefits - To account for the County's contributions and employee premiums for health, disability, and life insurance, and the related payments for these associated costs.

Cherokee County, Georgia
Combining Statement of Net Position
Internal Service Funds
September 30, 2018

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Assets			
Current assets			
Cash	\$ -	\$ 2,005,425	\$ 2,005,425
Receivables, net of allowance	-	311,136	311,136
Inventories	204,962	-	204,962
Prepaid items	36	351	387
Total current assets	<u>204,998</u>	<u>2,316,912</u>	<u>2,521,910</u>
Noncurrent assets			
Capital assets, net of depreciation	<u>242,484</u>	-	<u>242,484</u>
Total assets	<u>447,482</u>	<u>2,316,912</u>	<u>2,764,394</u>
Deferred Outflows of Resources			
Deferred outflows relating to pension	<u>127,845</u>	-	<u>127,845</u>
Total deferred outflows of resources	<u>127,845</u>	-	<u>127,845</u>
Liabilities			
Current liabilities			
Accounts payable	48,160	477,451	525,611
Accrued liabilities	12,253	746,769	759,022
Due to other funds	115,795	-	115,795
Compensated absences, due within one year	63,776	-	63,776
Total current liabilities	<u>239,984</u>	<u>1,224,220</u>	<u>1,464,204</u>
Long-term Liabilities (net of current portion)			
Compensated absences, due in more than one year	21,259	-	21,259
Net pension liability	<u>306,011</u>	-	<u>306,011</u>
Total long-term liabilities	<u>327,270</u>	-	<u>327,270</u>
Total Liabilities	<u>567,254</u>	<u>1,224,220</u>	<u>1,791,474</u>
Deferred Inflows of Resources			
Deferred inflows relating to pension	<u>23,998</u>	-	<u>23,998</u>
Total deferred inflows of resources	<u>23,998</u>	-	<u>23,998</u>
Net Position			
Investment in capital assets	242,484	-	242,484
Unrestricted (deficit)	<u>(258,409)</u>	<u>1,092,692</u>	<u>834,283</u>
Total Net Position	<u>\$ (15,925)</u>	<u>\$ 1,092,692</u>	<u>\$ 1,076,767</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2018

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 1,441,846	\$ 15,215,690	\$ 16,657,536
Miscellaneous revenue	4,762	535,744	540,506
Total operating revenues	<u>1,446,608</u>	<u>15,751,434</u>	<u>17,198,042</u>
Operating Expenses			
Personal services and employee benefits	600,258	145,065	745,323
Contractual services	33,567	1,599,641	1,633,208
Claims paid	-	14,052,121	14,052,121
Supplies	745,692	-	745,692
Depreciation	30,901	-	30,901
Total Operating Expenses	<u>1,410,418</u>	<u>15,796,827</u>	<u>17,207,245</u>
Change in net position	36,190	(45,393)	(9,203)
Net Position (Deficit) Beginning of Year	<u>(52,115)</u>	<u>1,138,085</u>	<u>1,085,970</u>
Net Position (Deficit) End of Year	<u>\$ (15,925)</u>	<u>\$ 1,092,692</u>	<u>\$ 1,076,767</u>

Cherokee County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2018

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Receipts from other funds	\$ 1,478,265	\$ 15,760,048	\$ 17,238,313
Payments to employees	(670,106)	(145,065)	(815,171)
Payments to suppliers for services provided	(799,793)	(15,809,571)	(16,609,364)
Net Cash Provided by (Used in) Operating Activities	<u>8,366</u>	<u>(194,588)</u>	<u>(186,222)</u>
Cash Flows from Capital Financing Activities			
Purchase of capital assets	(8,366)	-	(8,366)
Net Cash Used in Capital Financing Activities	<u>(8,366)</u>	<u>-</u>	<u>(8,366)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	(194,588)	(194,588)
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>2,200,013</u>	<u>2,200,013</u>
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ 2,005,425</u>	<u>\$ 2,005,425</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ 36,190	\$ (45,393)	\$ (9,203)
Adjustments -			
Depreciation	30,901	-	30,901
(Increase) Decrease in:			
Accounts receivable	-	8,614	8,614
Prepaid items	1,257	12,068	13,325
Inventories	(15,319)	-	(15,319)
Deferred outflows of resources	8,070	-	8,070
Increase (Decrease) in:			
Accounts payable	(7,208)	128,230	121,022
Accrued expenses	736	(298,107)	(297,371)
Due to other funds	31,657	-	31,657
Compensated absences payable	3,756	-	3,756
Net pension liability	(105,672)	-	(105,672)
Deferred inflows of resources	23,998	-	23,998
Net Cash Provided by (Used in) Operating Activities	<u>\$ 8,366</u>	<u>\$ (194,588)</u>	<u>\$ (186,222)</u>

CHEROKEE COUNTY, GEORGIA

AGENCY FUNDS

Tax Commissioner – to account for tax billings, collections, and remittances made by property owners of record on behalf of other governmental agencies.

Probate Court – to account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc. which are disbursed to other parties.

Juvenile Court – to account for the collection of probation supervision fees which are disbursed to other parties.

Clerk of Superior Court – to account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

Clerk of State Court – to account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

Sheriff – to account for the collection and remittance of fines, bond forfeitures, and various fees and to account for the receipt and disbursement of funds held on behalf of County inmates housed in the County detention facility.

Cherokee County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2018

	Balance October 1, 2017	Increases	Decreases	Balance September 30, 2018
Tax Commissioner				
Assets				
Cash	\$ 5,406,477	\$ 310,193,796	\$ 304,827,835	\$ 10,772,438
Taxes and other receivables	231,783,744	241,013,821	234,722,854	238,074,711
Total assets	\$ 237,190,221	\$ 551,207,617	\$ 539,550,689	\$ 248,847,149
Liabilities				
Due to others	\$ 5,406,477	\$ 310,193,796	\$ 304,827,835	\$ 10,772,438
Taxes payable to others upon completion	231,783,744	241,013,821	234,722,854	238,074,711
Total Liabilities	\$ 237,190,221	\$ 551,207,617	\$ 539,550,689	\$ 248,847,149
Probate Court				
Assets				
Cash	\$ 336	\$ 666,785	\$ 661,360	\$ 5,761
Liabilities				
Due to others	\$ 336	\$ 666,785	\$ 661,360	\$ 5,761
Juvenile Court				
Assets				
Cash	\$ 1,740	\$ 134,441	\$ 135,036	\$ 1,145
Liabilities				
Due to others	\$ 1,740	\$ 134,441	\$ 135,036	\$ 1,145
Clerk of Superior Court				
Assets				
Cash	\$ 4,452,641	\$ 18,858,923	\$ 18,265,300	\$ 5,046,264
Liabilities				
Due to others	\$ 4,452,641	\$ 18,858,923	\$ 18,265,300	\$ 5,046,264

Cherokee County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2018

	Balance October 1, 2017	Increases	Decreases	Balance September 30, 2018
Clerk of State Court				
Assets				
Cash	\$ 53,800	\$ 3,156,133	\$ 3,143,464	\$ 66,469
Liabilities				
Due to others	\$ 53,800	\$ 3,156,133	\$ 3,143,464	\$ 66,469
Sheriff				
Assets				
Cash	\$ 379,458	\$ 3,205,794	\$ 3,223,254	\$ 361,998
Liabilities				
Due to others	\$ 379,458	\$ 3,205,794	\$ 3,223,254	\$ 361,998
Total Agency Funds				
Assets				
Cash	\$ 10,294,452	\$ 336,215,872	\$ 330,256,249	\$ 16,254,075
Taxes and other receivables	231,783,744	241,013,821	234,722,854	238,074,711
Total assets	\$ 242,078,196	\$ 577,229,693	\$ 564,979,103	\$ 254,328,786
Liabilities				
Due to others	\$ 10,294,452	\$ 336,215,872	\$ 330,256,249	\$ 16,254,075
Uncollected taxes	231,783,744	241,013,821	234,722,854	238,074,711
Total Liabilities	\$ 242,078,196	\$ 577,229,693	\$ 564,979,103	\$ 254,328,786

Cherokee County, Georgia
Combining Statement of Assets and Liabilities
Agency Funds
September 30, 2018

	<u>Tax Commissioner</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>Clerk of Superior Court</u>	<u>Clerk of State Court</u>	<u>Sheriff</u>	<u>Total</u>
Assets							
Cash	\$ 10,772,438	\$ 5,761	\$ 1,145	\$ 5,046,264	\$ 66,469	\$ 361,998	\$ 16,254,075
Taxes and other receivables	<u>238,074,711</u>	-	-	-	-	-	<u>238,074,711</u>
Total assets	<u>\$ 248,847,149</u>	<u>\$ 5,761</u>	<u>\$ 1,145</u>	<u>\$ 5,046,264</u>	<u>\$ 66,469</u>	<u>\$ 361,998</u>	<u>\$ 254,328,786</u>
Liabilities							
Due to others	\$ 10,772,438	\$ 5,761	\$ 1,145	\$ 5,046,264	\$ 66,469	\$ 361,998	16,254,075
Taxes payable to others upon completion	<u>238,074,711</u>	-	-	-	-	-	<u>238,074,711</u>
Total liabilities	<u>\$ 248,847,149</u>	<u>\$ 5,761</u>	<u>\$ 1,145</u>	<u>\$ 5,046,264</u>	<u>\$ 66,469</u>	<u>\$ 361,998</u>	<u>\$ 254,328,786</u>

Development Authority of Cherokee County
Balance Sheet
September 30, 2018

Assets	
Cash	\$ 1,993,078
Accounts receivable, net of allowance	19,710
Prepaid items	<u>7,195</u>
Total Assets	<u><u>\$ 2,019,983</u></u>
 Liabilities and Fund Balance	
Liabilities	
Accounts payable	\$ 1,440
Accrued liabilities	<u>1,844</u>
Total Liabilities	<u>3,284</u>
 Fund Balances	
Nonspendable:	
Prepaid items	7,195
Unassigned	<u>2,009,504</u>
Total Fund Balances	<u>2,016,699</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,019,983</u></u>

Development Authority of Cherokee County
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended September 30, 2018

<hr/>	
Revenues	
Intergovernmental	\$ 1,008,857
Charges for services	38,000
Investment earnings	832
Contributions	<u>399,902</u>
 Total revenues	 <u>1,447,591</u>
Expenditures	
Current:	
Housing and development	<u>1,095,221</u>
 Total expenditures	 <u>1,095,221</u>
 Excess (deficiency) of revenues over expenditures	 <u>352,370</u>
 Net change in fund balances	 352,370
 Fund balances, beginning of year	 <u>1,664,329</u>
 Fund balances, end of year	 <u><u>\$ 2,016,699</u></u>

**Cherokee County Development Authority
Balance Sheet
September 30, 2018**

Assets	
Cash	\$ 454,876
Total assets	<u>\$ 454,876</u>
Liabilities	
Accrued liabilities	<u>274</u>
Total liabilities	<u>274</u>
Fund Balance (Deficit)	
Unassigned (deficit)	<u>454,602</u>
Total Fund Balance	<u>454,602</u>
Total Liabilities and Fund Balance	<u>\$ 454,876</u>

Cherokee County Development Authority
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended September 30, 2018

<hr/> <hr/>	
Revenues	
Interest	\$ 727
Charges for services	<u>78,177</u>
Total Revenues	<u>78,904</u>
Expenditures	
Current:	
Housing and development	<u>21,389</u>
Total Expenditures	<u>21,389</u>
Excess (deficiency) of Revenues over Expenditures	<u>57,515</u>
Special Item	
Discharge of payable to primary government	<u>4,404,780</u>
Net Change in Fund Balances	4,462,295
Fund Balances, Beginning of Year	<u>(4,007,693)</u>
Fund Balances, End of Year	<u><u>\$ 454,602</u></u>

CHEROKEE COUNTY, GEORGIA

STATISTICAL SECTION

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

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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

CHEROKEE COUNTY, GEORGIA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012*	2013	2014 (Restated)	2015 (Restated)	2016	2017 (Restated)	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 1,064,235,201	\$ 1,058,683,428	\$ 1,050,048,300	\$ 1,023,519,289	\$ 1,011,905,016	\$ 976,166,596	\$ 943,020,930	\$ 922,812,280	\$ 903,927,550	\$ 879,625,985
Restricted	37,906,250	35,732,314	58,696,018	37,575,187	40,740,963	58,032,098	70,835,182	66,862,941	72,445,758	91,308,466
Unrestricted	39,767,844	25,739,216	9,944,894	(2,686,819)	1,297,716	(37,525,057)	(32,930,747)	(18,434,202)	(22,314,619)	(17,064,234)
Total Governmental Activities Net Position	1,141,909,295	1,120,154,958	1,118,689,212	1,058,407,657	1,053,943,695	996,673,637	980,925,365	971,241,019	954,058,689	953,870,217
Business type Activities										
Net Investment in Capital Assets	800,260	703,439	630,863	1,168,482	2,076,797	1,894,919	2,345,249	3,863,389	3,429,582	3,075,471
Unrestricted	1,193,605	147,817	870,092	1,315,162	1,145,475	(818,727)	(227,478)	(536,760)	(838,779)	(365,423)
Total Business-type Activities Net Position	1,993,865	851,256	1,500,955	2,483,644	3,222,272	1,076,192	2,117,771	3,326,629	2,590,803	2,710,048
Primary Government										
Net Investment in Capital Assets	1,065,035,461	1,059,386,867	1,050,679,163	1,024,687,771	1,013,981,813	978,061,515	945,366,179	926,675,669	907,357,132	882,701,456
Restricted	37,906,250	35,732,314	58,696,018	37,575,187	40,740,963	58,032,098	70,835,182	66,862,941	72,445,758	91,308,466
Unrestricted	40,961,449	25,887,033	10,814,986	(1,371,657)	2,443,191	(38,343,784)	(33,158,225)	(18,970,962)	(23,153,398)	(17,429,657)
Total Primary Government Net Position	\$ 1,143,903,160	\$ 1,121,006,214	\$ 1,120,190,167	\$ 1,060,891,301	\$ 1,057,165,967	\$ 997,749,829	\$ 983,043,136	\$ 974,567,648	\$ 956,649,492	\$ 956,580,265

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.
 Fiscal Year 2014 was restated to reflect the implementation of GASB Statements No. 68 and 71.
 Fiscal Year 2015 was restated for unrecorded inventory.
 Fiscal Year 2017 was restated to reflect the implementation of GASB statement No. 75 and for unrecorded bond sinking fund.

CHEROKEE COUNTY, GEORGIA

CHANGES IN NET POSITION, LAST TEN YEARS
(accrual basis of accounting)

	2009	2010	2011	2012*	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental Activities:										
General government	\$ 13,495,202	\$ 11,238,380	\$ 11,709,843	\$ 9,829,282	\$ 11,635,706	\$ 13,648,434	\$ 18,207,140	\$ 12,557,749	\$ 12,945,417	\$ 15,715,319
Judicial	13,068,161	12,934,968	12,131,482	8,616,641	13,835,827	14,948,452	15,621,410	16,970,402	17,268,050	18,369,843
Public safety	56,297,513	58,859,578	53,392,268	41,852,318	54,866,533	66,261,619	65,843,729	76,378,048	75,658,791	77,095,202
Public works	46,714,160	50,666,579	48,284,482	37,965,267	56,681,654	60,306,683	64,397,596	46,782,022	63,577,287	65,092,255
Health and welfare	4,223,612	5,332,454	4,954,955	3,447,163	2,838,434	3,142,104	2,906,259	3,053,838	3,158,570	3,114,939
Culture and recreation	6,047,753	5,085,377	4,287,850	4,692,484	7,017,212	9,891,955	10,098,987	18,747,709	12,856,023	11,689,724
Housing and development	4,887,468	3,582,765	3,656,342	2,328,961	3,511,156	4,262,749	5,543,535	7,392,892	5,137,977	4,964,615
Interest on long-term debt	3,369,863	3,622,857	3,411,397	2,975,088	3,094,823	3,175,274	3,432,595	6,089,835	2,454,683	2,544,025
Total Governmental Activities	148,103,732	151,322,958	141,828,619	111,705,204	153,481,345	175,637,270	186,051,251	187,972,495	193,056,798	198,585,922
Business-type Activities:										
Emergency medical services	7,213,645	7,429,041	6,678,161	5,516,951	7,190,391	8,157,167	5,446,416	6,570,402	7,138,412	6,764,789
Conference center	162,963	224,636	326,115	264,837	373,815	373,815	372,621	538,245	482,077	413,617
Total Business-type Activities	7,376,608	7,653,677	7,004,276	5,781,788	7,564,206	8,531,643	5,819,037	7,108,647	7,620,489	7,178,406
Total Primary Government	155,480,340	158,976,635	148,832,895	117,486,992	161,045,551	184,155,913	191,870,288	195,081,142	200,677,287	205,764,328
Program Revenues										
Governmental Activities										
Charges for services										
General government	4,022,193	4,488,101	4,539,020	1,289,956	4,213,565	4,508,343	4,643,693	7,076,481	7,748,614	8,392,216
Judicial	6,214,188	6,375,601	6,815,386	5,036,242	6,463,373	5,901,186	6,168,531	6,229,489	6,145,266	6,640,444
Public safety	6,145,639	6,126,627	6,407,070	5,074,468	7,123,356	7,376,078	7,515,011	8,286,895	6,964,068	7,086,267
Public works	3,435,044	2,524,196	1,779,098	1,581,672	3,055,124	2,718,762	3,079,966	4,247,236	4,098,942	4,050,318
Health and welfare	177,837	353,951	373,474	252,392	347,365	388,944	370,917	370,667	375,965	447,115
Culture and recreation	938,345	1,098,694	1,327,358	805,077	2,148,818	2,475,950	2,372,768	2,522,876	2,435,024	2,642,372
Housing and development	976,699	848,876	902,726	1,086,243	1,656,272	1,800,287	2,293,281	-	-	-
Operating grants and contributions	2,756,658	3,702,555	5,005,625	3,615,337	3,896,743	2,885,090	3,952,156	5,928,258	7,863,466	10,394,030
Capital grants and contributions	11,806,091	18,724,096	11,517,533	4,441,711	9,860,301	10,000,879	13,326,159	15,954,463	9,448,098	14,956,582
Total Governmental Activities	36,472,694	44,242,697	38,667,290	23,183,098	38,764,917	38,055,519	43,722,482	50,616,365	45,079,443	54,609,344
Business-type Activities:										
Emergency medical services:										
Charges for services	3,842,690	5,886,811	6,383,784	5,338,425	6,088,439	7,234,561	3,909,969	4,997,112	5,317,687	4,701,126
Operating grants and contributions	-	-	-	-	6,750	21,577	-	-	-	-
Capital grants and contributions	-	-	-	12,000	50,000	-	-	42,165	14,121	34,522
Conference Center:										
Charges for services	8,059	11,038	13,638	14,610	18,874	15,200	16,243	344,779	328,853	294,515
Operating grants and contributions	21,000	21,000	21,000	-	95,000	21,000	21,000	21,000	21,000	21,000
Total Business-type Activities	3,871,749	5,918,849	6,418,422	5,365,035	6,260,063	7,292,338	3,947,212	5,405,056	5,681,663	5,051,163
Total Primary Government	40,344,443	50,161,546	45,085,712	28,548,133	45,024,980	45,347,857	47,669,694	56,021,421	50,761,104	59,660,507
Net (Expenses) Revenue										
Governmental Activities	(111,631,038)	(107,080,261)	(103,161,329)	(88,522,106)	(114,716,428)	(137,581,751)	(142,328,769)	(137,356,130)	(147,977,355)	(143,976,578)
Business-type Activities	(3,504,859)	(1,734,828)	(585,854)	(416,753)	(1,304,143)	(1,226,305)	(1,871,825)	(1,703,591)	(1,938,828)	(2,127,243)
Total Primary Government Net Expense	(115,135,897)	(108,815,089)	(103,747,183)	(88,938,859)	(116,020,571)	(138,808,056)	(144,200,594)	(139,059,721)	(149,916,183)	(146,103,821)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property taxes	64,298,714	59,595,990	61,718,917	6,561,293	68,302,401	70,725,619	76,101,797	81,038,620	85,278,009	90,179,813
Alcoholic beverage taxes	870,004	899,933	870,637	751,958	971,691	989,887	1,029,826	1,056,462	1,090,198	1,102,518
Vehicle taxes	1,501,321	1,484,307	1,587,195	1,377,748	1,845,500	1,934,924	2,064,581	2,283,347	2,690,800	2,617,895
Sales taxes	26,689,087	27,381,983	29,288,708	22,705,059	30,239,488	31,690,072	33,980,669	35,173,128	36,606,236	38,959,919
Insurance premium taxes	5,846,968	5,686,599	6,508,474	6,953,110	7,226,640	7,626,040	8,166,299	8,689,185	9,300,914	10,029,142
Other taxes	83,876	89,491	116,728	107,240	154,289	180,523	210,530	207,340	214,232	211,797
Miscellaneous revenues	2,262,810	2,018,183	2,537,155	467,149	3,182,618	2,275,918	7,140,853	1,870,842	1,554,392	1,769,508
Unrestricted investment earnings	457,225	166,685	42,501	30,406	33,754	99,927	129,993	261,309	513,058	1,036,245
Gain/(loss) on sale of capital assets	-	-	-	(9,545,264)	-	-	-	-	-	127,757
Loss on capital lease receivable	-	-	-	-	-	-	-	-	-	-
Transfers	(797,876)	(404,491)	(974,732)	(1,025,243)	(1,703,915)	(922,665)	(2,639,990)	(2,908,449)	(1,581,823)	(2,246,488)
Total Governmental Activities	101,211,129	96,918,680	101,695,583	28,383,456	110,252,466	114,600,245	126,184,558	127,671,784	135,666,016	143,788,106
Business-type Activities										
Insurance premium taxes	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	146,706	187,728	260,821	298,599	325,106	272,953	273,414	-	-	-
Gain/(loss) on disposal of capital assets	-	-	-	75,600	13,750	8,100	-	4,000	-	-
Transfers	797,876	404,491	974,732	1,025,243	1,703,915	922,665	2,639,990	2,908,449	1,581,823	2,246,488
Total Business-type Activities	944,582	592,219	1,235,553	1,399,442	2,042,771	1,203,718	2,913,404	2,912,449	1,581,823	2,246,488
Total Primary Government	102,155,711	97,510,899	102,931,136	29,782,898	112,295,237	115,803,963	129,097,962	130,584,233	137,247,839	146,034,594
Change in Net Position										
Governmental Activities	(10,419,909)	(10,161,581)	(1,465,746)	(60,138,650)	(4,463,962)	(22,981,506)	(16,144,211)	(9,684,346)	(12,311,339)	(188,472)
Business-type Activities	(2,560,277)	(1,142,609)	649,689	982,689	738,628	(22,587)	1,041,579	1,208,658	(357,005)	119,245
Total Primary Government	(12,980,186)	(11,304,190)	(816,047)	(59,155,961)	(3,725,334)	(23,004,093)	(15,102,632)	(8,475,688)	(12,668,344)	(69,227)
Net Position, beginning of year, as restated	1,156,883,346	1,132,310,404	1,121,006,214	1,120,047,262	1,060,891,301	1,020,753,922	997,749,829	983,043,136	974,567,648	956,649,492
Net Position, end of year	\$ 1,143,903,160	\$ 1,121,006,214	\$ 1,120,190,167	\$ 1,060,891,301	\$ 1,057,165,967	\$ 997,749,829	\$ 982,647,197	\$ 974,567,648	\$ 961,899,304	\$ 956,580,265

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.
 [1] During the fiscal year ended September 30, 2015 the County received approximately \$4 million from the Cherokee County Development Authority from the proceeds from land sales.
 Fiscal year 2014 was restated to reflect the implementation of GASB Statements No. 68 and 71.
 Fiscal Year 2015 was restated for unrecorded inventory.
 Fiscal Year 2017 was restated to reflect the implementation of GASB statement No. 75 and for unrecorded bond sinking fund.

CHEROKEE COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2009	2010	2011	2012*	2013	2014	Restated 2015	2016	Restated 2017	2018
General Fund										
Reserved	\$ 213,815	\$ 267,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	29,423,015	24,914,065	-	-	-	-	-	-	-	-
Nonspendable:										
Prepays	-	-	199,244	163,748	100,272	72,645	75,669	277,606	265,642	301,379
Advances from other funds	-	-	-	-	-	-	-	500,000	-	-
Inventory	-	-	5,380	5,134	16,432	36,614	16,757	5,349	37,466	-
Assigned for use in subsequent budget	-	-	25,419,651	-	-	-	-	-	-	-
Unassigned	-	-	4,567,170	4,205,633	9,685,484	11,037,776	13,293,833	26,932,247	29,365,899	34,259,743
Total General Fund	29,636,830	25,181,708	30,191,445	4,374,515	9,802,188	11,147,035	13,386,259	27,715,202	29,669,007	34,561,122
All Other Governmental Funds										
Reserved	37,916,605	35,736,960	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	17,289,982	16,747,516	-	-	-	-	-	-	-	-
Capital projects funds	4,023,396	6,268,759	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable:										
Prepays	-	-	682,020	446,502	414,632	342,438	351,894	362,125	334,485	288,317
Advances from Other Funds	-	-	-	-	-	-	500,000	-	-	-
Inventory	-	-	-	-	-	-	395,939	804,091	517,017	469,441
Restricted:										
Law library operations	-	-	604,546	627,713	642,423	657,910	590,095	561,679	585,268	541,706
Senior services	-	-	8,029	58,266	46,352	16,310	20,175	26,895	146,606	267,868
Public safety	-	-	1,066,488	1,171,253	1,157,181	338,761	152,787	90,165	191,819	138,229
Court services	-	-	-	-	-	532,700	1,320,763	1,501,402	1,638,143	1,656,796
SPLOST projects	-	-	7,915,351	15,360,142	20,248,996	32,020,272	41,371,608	44,710,269	49,341,345	67,014,730
Donations for improvements	-	-	16,142	17,428	28,834	-	-	-	-	-
Grant activities	-	-	36,849	103,426	148,199	411,560	600,514	615,484	513,080	535,036
Jail operation and maintenance	-	-	1,631,370	1,012,584	986,710	1,011,153	1,020,298	771,302	826,431	954,356
E911 operations	-	-	1,423,953	1,379,538	1,674,744	1,839,355	2,256,915	2,531,110	2,740,315	3,119,332
Hotel/Motel tax	-	-	-	-	-	592,744	-	-	-	-
Impact fees - library projects	-	-	449,882	397,914	527,456	699,631	950,600	1,201,530	1,422,710	1,646,867
Impact fees - fire projects	-	-	57,176	154,133	668,982	782,975	947,438	1,540,006	636,141	787,154
Impact fees - park projects	-	-	621,285	669,924	860,450	457,013	709,959	896,405	420,846	735,347
Impact fees - public safety facility projects	-	-	1,252,305	1,300,247	1,582,939	1,728,259	1,987,614	2,340,518	2,749,144	3,170,994
Impact fees - road projects	-	-	977,380	1,092,657	1,472,878	1,516,164	1,576,746	1,701,879	1,813,874	1,950,441
Impact fees - administration projects	-	-	429,397	446,199	151,215	344,958	383,851	351,507	400,549	433,907
Impact fees - Canton fire stations	-	-	-	-	-	-	-	583,713	636,098	287,731
Health and welfare	-	-	-	26,131	9,173	-	89,290	179,445	130,742	329,680
Debt service	-	-	8,526,268	7,969,618	769,088	1,302,487	700,780	180,029	712,020	853,983
Cultural and recreation construction	-	-	21,593,785	24,895,111	9,623,342	24,204,697	20,056,462	10,961,838	1,238,653	230,888
Unincorporated services	-	-	-	2,583,397	4,883,151	8,446,953	10,290,986	**	**	**
Fire protection services	-	-	12,085,812	3,204,615	4,882,191	5,056,514	5,728,653	5,924,814	6,702,544	6,132,422
Committed:										
Jail and inmate services	-	-	45,979	65,301	24,386	29,637	51,919	243,618	453,562	642,412
Animal services	-	-	16,934	47,271	70,713	34,312	55,923	298,110	350,616	406,601
Park and recreation activities	-	-	216,343	64,916	442,890	408,684	281,298	487,980	358,846	426,041
Unassigned	-	-	(203,234)	(32,384)	(27,666)	(7,652)	(2,891)	(178)	-	-
Total All Other Governmental Funds	59,229,983	58,753,235	59,454,060	63,061,902	51,289,259	82,767,835	92,389,616	78,865,736	74,860,854	93,020,280
Total All Governmental Funds	\$ 88,866,813	\$ 83,934,943	\$ 89,645,505	\$ 67,436,417	\$ 61,091,447	\$ 93,914,870	\$ 105,775,875	\$ 106,580,938	\$ 104,529,861	\$ 127,581,405

* NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

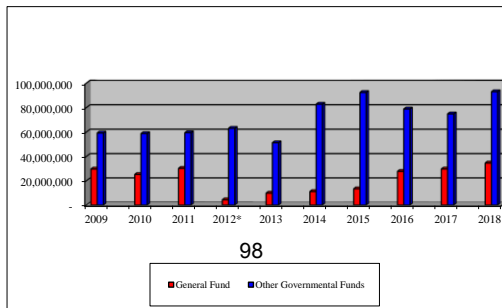
** NOTE: Unincorporated County Fund was moved to be included with the General Fund.

*** NOTE: The increase in FY2009 is due to the issuance of \$45,000,000 in bonds.

Fiscal year 2015 was restated for unrecorded inventory.

Fiscal Year 2017 was restated to reflect the implementation of GASB statement No. 75 and for unrecorded bond sinking fund.

NOTE: The County implemented GASB 54 effective January 1, 2011.



CHEROKEE COUNTY, GEORGIA

**CHANGE IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2009	2010	2011	2012*	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 99,221,526	\$ 95,491,171	\$ 100,817,537	\$ 40,534,858	\$ 108,580,845	\$ 112,937,239	\$ 121,946,651	\$ 128,474,185	\$ 135,094,237	\$ 142,636,878
Licenses and permits	1,201,006	1,179,738	1,168,702	1,280,779	1,900,386	2,084,729	2,594,651	3,041,029	3,544,835	3,517,855
Fines and penalties	5,988,839	6,159,605	6,607,933	4,819,636	6,908,913	6,447,136	6,391,950	6,331,870	6,612,636	6,827,131
Charges for services	15,381,048	14,369,407	14,284,477	8,792,207	16,432,906	16,574,190	17,287,781	19,636,433	18,033,413	19,265,971
Intergovernmental	3,287,187	4,426,846	5,371,357	3,876,650	7,155,617	4,256,449	4,754,515	7,575,190	9,498,046	12,388,444
Investment earnings	487,214	183,046	51,072	43,807	45,472	123,887	203,479	413,581	881,925	1,955,808
Other revenues	1,546,588	2,335,660	3,224,165	1,208,636	4,745,132	2,338,057	6,356,723	2,447,045	1,929,682	1,763,806
Total revenues	127,113,409	124,145,473	131,525,243	60,556,573	145,769,271	144,761,687	159,535,750	167,919,333	175,594,774	188,355,893
Expenditures										
General government	12,678,432	10,587,252	9,145,033	7,558,761	9,735,759	9,694,959	10,175,646	11,786,252	12,350,652	15,979,602
Judicial	12,634,661	12,541,103	12,190,687	8,910,791	13,339,510	13,732,332	14,869,642	16,216,192	16,739,789	17,689,270
Public safety	54,685,636	54,767,227	53,128,844	37,797,938	51,980,901	56,266,089	60,645,344	66,005,871	70,565,805	73,390,109
Public works	8,682,763	8,366,354	8,981,853	6,739,208	8,650,391	10,375,660	8,251,788	9,517,506	9,314,944	10,809,496
Health and welfare	4,497,164	5,443,570	4,810,705	3,354,025	2,747,382	2,887,530	2,773,972	3,050,269	3,086,649	2,954,423
Housing and development	5,231,606	3,502,384	4,832,386	2,262,564	3,456,310	6,890,514	7,518,258	6,547,593	4,251,725	5,017,183
Culture and recreation	6,338,228	5,411,523	3,605,951	3,905,096	5,700,838	4,330,470	6,756,342	6,967,373	8,447,155	7,629,915
Capital Outlay	25,501,385	19,157,660	7,816,079	12,767,749	33,851,092	15,705,022	13,555,389	28,098,061	30,940,506	13,328,844
Debt Service:										
Principal	7,033,223	10,312,937	10,466,097	3,584,045	11,048,319	3,415,827	4,440,062	4,103,333	8,864,966	5,241,179
Bond issuance costs	496,642	3,607,748	3,754,944	115,525	1,550	194,384	2,279	243,004	550	-
Interest	3,268,743	134,853	-	2,170,632	3,318,527	3,060,401	3,386,554	4,384,938	2,562,914	2,235,066
Intergovernmental	6,238,285	6,317,565	6,159,277	5,328,013	7,526,940	8,045,732	14,113,597	9,756,629	10,270,527	10,420,628
Total expenditures	147,286,768	140,150,176	124,891,856	94,494,347	151,357,519	134,598,920	146,488,873	166,677,021	177,396,182	164,695,715
Excess (deficiency) of revenues over (under) expenditures	(20,173,359)	(16,004,703)	6,633,387	(33,937,774)	(5,588,248)	10,162,767	13,046,877	1,242,312	(1,801,408)	23,660,178
Other Financing Sources (Uses)										
Proceeds from bond issues	45,000,000	10,767,000	-	11,410,000	-	22,823,000	-	-	-	-
Proceeds from refunded bonds	-	-	-	-	-	-	-	28,450,000	-	-
Discount on bonds sold	-	-	-	-	-	-	-	-	-	-
Premium on issuance of bonds	1,825,087	-	-	-	-	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	-	-	607,524	215,476	1,065,953
Proceeds from sale of assets	118,096	710,324	51,907	44,271	42,427	760,320	422,439	94,290	323,001	99,271
Payment to refunded bond escrow	-	-	-	-	-	-	-	(28,201,489)	-	-
Insurance reimbursement	-	-	-	-	-	-	-	-	197,308	472,630
Transfers in	11,504,413	12,074,226	16,016,357	5,866,999	5,641,614	4,935,848	3,415,092	14,356,019	8,439,564	7,652,575
Transfers out	(12,302,289)	(12,478,717)	(16,991,089)	(6,439,448)	(6,440,763)	(5,858,513)	(5,419,342)	(15,743,593)	(10,035,764)	(9,899,063)
Total other financing sources (uses)	46,145,307	11,072,833	(922,825)	10,881,822	(756,722)	22,660,655	(1,581,811)	(437,249)	(860,415)	(608,634)
Net Change in Fund Balance	25,971,948	(4,931,870)	5,710,562	(23,055,952)	(6,344,970)	32,823,422	11,465,066	805,063	(2,661,823)	23,051,544
Fund Balances, beginning of the year (restated)	62,894,865	88,866,813	83,934,943	90,492,370	67,436,418	61,091,448	93,914,870	105,775,875	106,580,938	104,529,861
Fund Balances, end of year	\$ 88,866,813	\$ 83,934,943	\$ 89,645,505	\$ 67,436,418	\$ 61,091,448	\$ 93,914,870	\$ 105,379,936	\$ 106,580,938	\$ 103,919,115	\$ 127,581,405

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

Debt service as a percentage of noncapital expenditures

8.46% 8.64% 8.94% 7.04% 12.23% 5.34% 5.88% 6.10% 7.74% 4.95%

CHEROKEE COUNTY, GEORGIA

**PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

Function/Program	2009	2010	2011	2012*	2013	2014	2015	2016	2017	2018
Primary Government:										
Governmental Activities:										
General government	\$ 4,227,355	\$ 5,329,530	\$ 5,629,940	\$ 2,158,592	\$ 4,868,288	\$ 4,584,286	\$ 4,902,176	\$ 7,524,359	\$ 8,004,882	\$ 8,671,818
Judicial	7,405,579	6,996,592	7,352,353	5,461,108	7,123,277	6,795,575	7,094,400	7,352,778	7,407,962	8,135,800
Public safety	6,394,475	6,440,709	6,656,136	5,250,300	7,500,229	7,882,437	7,964,565	9,896,991	11,396,181	12,979,778
Public works	15,651,517	21,197,450	14,444,269	6,133,826	12,924,448	12,486,080	16,279,740	19,995,323	13,503,879	19,013,529
Health and welfare	1,774,877	2,309,171	2,304,508	2,262,152	1,789,272	2,030,904	2,565,552	1,614,124	1,453,100	1,751,532
Culture and recreation	938,345	1,120,369	1,377,358	830,877	2,903,131	2,475,950	2,622,768	2,558,091	2,501,221	2,687,372
Housing and development	976,699	848,876	902,726	1,086,243	1,656,272	1,800,287	2,293,281	1,674,699	812,218	1,369,515
Total Governmental Activities	<u>37,368,847</u>	<u>44,242,697</u>	<u>38,667,290</u>	<u>23,183,098</u>	<u>38,764,917</u>	<u>38,055,519</u>	<u>43,722,482</u>	<u>50,616,365</u>	<u>45,079,443</u>	<u>54,609,344</u>
Business-type Activities:										
Emergency medical services	3,842,690	5,886,811	6,383,784	5,350,425	6,145,189	7,256,138	3,909,969	5,039,277	5,331,808	4,735,648
Conference center	29,059	32,038	34,638	14,610	114,874	36,200	37,243	365,779	349,853	315,515
Total Business-type Activities	<u>3,871,749</u>	<u>5,918,849</u>	<u>6,418,422</u>	<u>5,365,035</u>	<u>6,260,063</u>	<u>7,292,338</u>	<u>3,947,212</u>	<u>5,405,056</u>	<u>5,681,661</u>	<u>5,051,163</u>
Total Primary Government	<u>\$ 41,240,596</u>	<u>\$ 50,161,546</u>	<u>\$ 45,085,712</u>	<u>\$ 28,548,133</u>	<u>\$ 45,024,980</u>	<u>\$ 45,347,857</u>	<u>\$ 47,669,694</u>	<u>\$ 56,021,421</u>	<u>\$ 50,761,104</u>	<u>\$ 59,660,507</u>

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

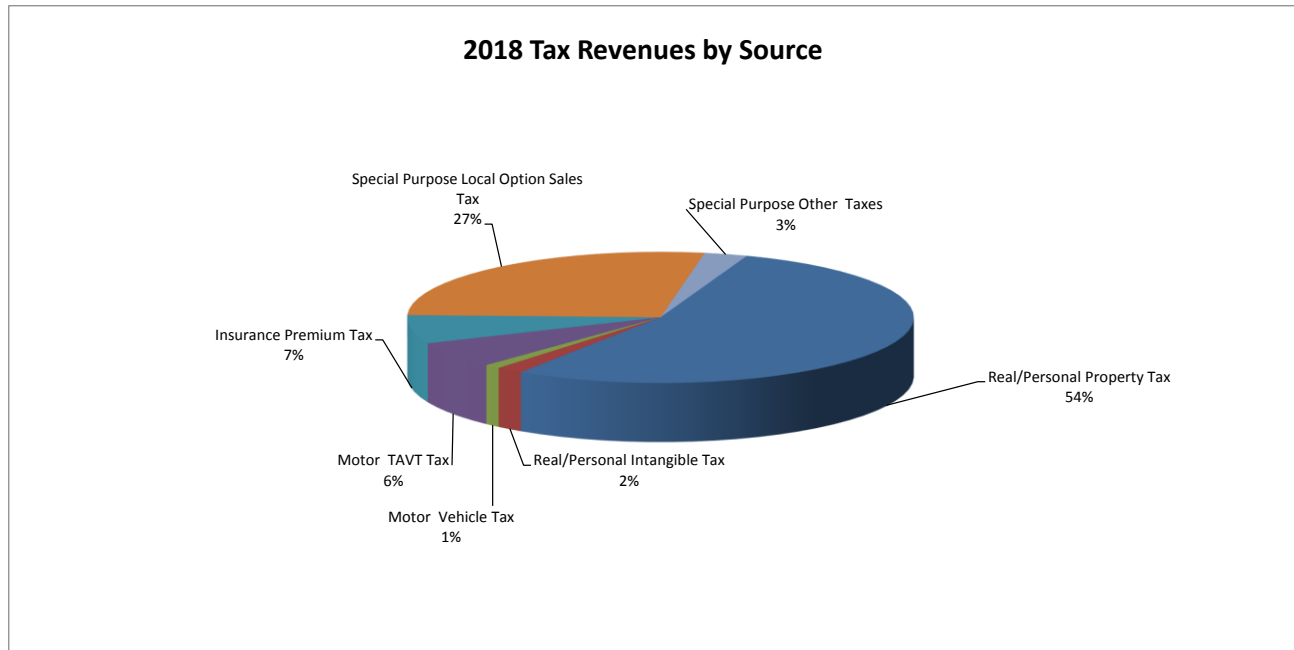
CHEROKEE COUNTY, GEORGIA

TAX REVENUES BY SOURCE , GOVERNMENTAL FUNDS

(modified accrual basis of accounting)

Year Ended	Real/Personal Property Tax	Intangible Tax	Motor Vehicle Tax	TAVT Tax	Insurance Premium Tax	Special Purpose Local Option Sales Tax	Other Taxes	Total
12/31/2009	58,810,094	1,427,202	4,203,836	-	5,846,968	26,479,225	2,454,201	99,221,526
12/31/2010	53,948,183	1,109,956	4,680,857	-	5,686,599	27,591,845	2,473,731	95,491,171
12/31/2011	56,712,075	1,054,289	4,679,431	-	6,508,474	29,288,708	2,574,560	100,817,537
9/30/2012*	3,191,463	1,118,726	4,329,554	-	6,953,110	22,705,059	2,236,946	40,534,859
9/30/2013	56,803,151	1,889,135	5,619,399	3,831,553	7,226,640	30,239,488	2,971,480	108,580,846
9/30/2014	57,869,082	1,439,824	4,228,192	7,188,520	7,626,040	31,690,072	3,105,335	113,147,065
9/30/2015	63,816,626	1,950,412	3,103,752	7,623,956	8,166,299	33,980,669	3,304,937	121,946,651
9/30/2016	69,154,204	2,406,649	2,415,265	7,088,598	8,689,185	35,173,128	3,547,156	128,474,185
9/30/2017	73,201,263	2,594,850	1,834,894	7,775,085	9,300,914	36,606,236	3,995,228	135,308,469
9/30/2018	76,735,673	2,478,656	1,466,659	9,246,416	10,029,142	38,959,919	3,932,210	142,848,675

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short year from 1/1/2012 - 9/30/2012. This had a significant impact on property tax revenue recognition since typically the county receives significant tax collections between October and December.



CHEROKEE COUNTY, GEORGIA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Digest Year	Residential Property		Commercial Property		Industrial Property		Less: Tax Exempt Property	Total Reporting Entity		Total Direct Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value	
2009	5,148,444,120	12,871,110,300	977,086,873	2,442,717,182	177,544,916	443,862,290	400,700,705	9,001,790,326	22,504,475,815	7.703
2010	4,728,740,840	11,821,852,100	939,414,009	2,318,535,023	168,121,006	420,302,515	411,417,625	8,246,552,393	20,616,380,982	8.298
2011	4,435,075,476	11,087,688,690	832,187,128	2,080,467,820	148,216,320	370,540,800	432,262,840	7,721,058,141	19,302,645,352	9.135
2012	4,045,193,924	10,112,984,810	795,440,256	1,988,600,640	141,986,494	354,966,235	431,488,680	7,184,006,964	17,960,017,410	9.999
2013	4,178,158,525	10,445,396,312	789,629,631	1,974,074,077	143,475,211	358,688,027	436,392,400	7,346,963,565	18,367,408,912	9.947
2014	4,809,272,244	12,023,180,610	870,585,091	2,176,462,727	146,882,487	367,206,217	463,837,120	7,922,163,058	19,805,407,645	9.908
2015	5,372,928,638	13,432,321,595	870,471,411	2,176,178,527	148,467,242	371,168,105	655,666,600	8,524,129,822	21,310,324,555	9.900
2016	5,931,815,066	14,829,537,665	947,220,118	2,368,050,295	158,428,041	396,070,103	675,249,400	9,255,282,958	23,138,207,395	9.663
2017	6,586,480,914	16,466,202,285	1,187,802,277	2,969,505,692	198,137,138	495,342,845	836,204,360	9,631,175,330	24,077,938,325	9.362
2018	7,162,540,946	17,906,352,365	1,271,056,149	3,177,640,372	225,103,835	562,759,587	904,866,120	10,371,179,346	25,927,948,365	9.138

* Source: Cherokee County Tax Assessor

Note: Property in Cherokee County is assessed at 40% of actual value. Tax rates are per \$1,000 of assessed value.

CHEROKEE COUNTY, GEORGIA

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING
(Per \$1,000 of Assessed Value)
LAST TEN FISCAL YEARS**

Year of Levy	General	Fire District	Parks	Total	State	Schools			Total Direct and Overlapping
	Maintenance and Operations	Special District	County Wide	BOC Rate		Maintenance and Operations	Bonded Debt	Total	
2009	4.381	2.742	0.580	7.703	0.25	18.450	0.400	18.850	26.80
2010	4.720	2.950	0.628	8.298	0.25	19.450	0.400	19.850	28.40
2011	5.365	3.129	0.641	9.135	0.25	19.450	0.400	19.850	29.24
2012	5.825	3.394	0.780	9.999	0.20	19.450	0.400	19.850	30.05
2013	5.798	3.373	0.776	9.947	0.15	19.450	0.400	19.850	29.95
2014	5.728	3.436	0.744	9.908	0.10	19.450		19.450	29.46
2015	5.728	3.436	0.744	9.908	0.05	19.450		19.450	29.41
2016	5.680	3.374	0.609	9.663	0.00	19.450		19.450	29.113
2017	5.483	3.298	0.581	9.362	0.00	18.950	0.500	19.450	28.812
2018	5.366	3.269	0.503	9.138	0.00	18.950	0.500	19.450	28.588

Note: In 2008 voters approved a referendum to issue \$90 million in bonds to invest in Parks and Greenspace. The Parks Bond millage rate was implemented in 2009 to cover the debt service related to these bonds.

CHEROKEE COUNTY, GEORGIA

**DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year	Cherokee County SPLOST	County Schools E-SPLOST	State	Total Sales Tax Rate
2009	1.00%	1.00%	4.00%	6.00%
2010	1.00%	1.00%	4.00%	6.00%
2011	1.00%	1.00%	4.00%	6.00%
2012	1.00%	1.00%	4.00%	6.00%
2013	1.00%	1.00%	4.00%	6.00%
2014	1.00%	1.00%	4.00%	6.00%
2015	1.00%	1.00%	4.00%	6.00%
2016	1.00%	1.00%	4.00%	6.00%
2017	1.00%	1.00%	4.00%	6.00%
2018	1.00%	1.00%	4.00%	6.00%

PRINCIPAL PROPERTY TAXPAYERS
September 30, 2018

Taxpayer	2018			2009		
	Assessed Value	Rank	% of Total Assessment	Assessed Value	Rank	% of Total Assessment
Georgia Power	\$ 55,026,649	1	0.53%	33,676,224	1	0.37%
Atlanta Gas Light Company	\$ 36,345,444	2	0.35%	30,289,795	2	0.34%
Cobb EMC	\$ 23,958,829	3	0.23%	21,781,325	3	0.24%
BII Fund V Woodstock LLC	\$ 21,180,320	4	0.20%			
Universal Alloy Corporation	\$ 21,180,025	5	0.20%			
Cole Mountain Market Place	\$ 21,105,200	6	0.20%			
MP The Palmer, LLC	\$ 19,045,000	7	0.18%			
Georgia Transmission	\$ 17,811,660	8	0.17%	14,270,668	6	0.16%
SOF Park 9 Owner LP	\$ 15,226,520	9	0.15%			
Laurelwood Drive Owner LLC	\$ 15,041,600	10	0.15%			
Northside Hospital						
Walton Woodstock Apt.						
Mid-America Apartment Comm						
BellSouth Telecommunications				13,492,798	9	0.15%
AllTel				16,082,581	5	0.18%
Canton Marketplace, LLC				14,157,840	7	0.16%
CH Realty IV / Woodstock, LLC				16,651,200	4	0.18%
DDRM Riverstone Plaza LLC				13,575,200	8	0.15%
Forestar Real Estate Group, Inc.				12,201,602	10	0.14%
	<u>\$ 245,921,247</u>		<u>2.37%</u>	<u>\$ 186,179,233</u>		<u>2.01%</u>

Source: Cherokee County Tax Commissioners Office

NOTE: % Calculation includes Motor Vehicles

CHEROKEE COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year Ended	Tax Levied for the Calendar Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Dates used for previous col.	Total Collections to Date	
		Amount	Percentage of Levy			Amount	Percentage of Levy
2009	54,038,156	47,854,035	88.56%	5,796,812	01-01-10 to 11-30-18	53,650,847	99.28%
2010	53,438,477	48,273,578	90.33%	4,923,021	01-01-11 to 11-30-18	53,196,598	99.55%
2011	55,348,553	50,886,129	91.94%	4,124,577	01-01-12 to 11-30-18	55,010,707	99.39%
2012	55,452,483	1,359,612	2.45%	53,945,599	10-01-12 to 11-30-18	55,305,211	99.73%
2013	56,423,411	769,001	1.36%	55,605,228	10-01-13 to 11-30-18	56,374,229	99.91%
2014	62,612,461	2,137,638	3.41%	60,073,160	10-01-14 to 11-30-18	62,210,798	99.36%
2015	68,137,272	121,805	0.18%	67,811,268	10-01-15 to 11-30-18	67,933,073	99.70%
2016	71,963,231	273,107	0.38%	71,543,548	10-01-16 to 11-30-18	71,816,655	99.80%
2017	76,595,461	1,065,069	1.39%	74,638,552	10-01-17 to 11-30-18	75,703,621	98.84%
2018	79,677,237	4,317,131	5.42%	69,565,916	10-01-18 to 11-30-18	73,883,047	92.73%

Source: Cherokee County Tax Commissioner

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short year from 1/1/2012 - 9/30/2012. This had a significant impact on property tax collections since typically the County received significant collections between October and December.

CHEROKEE COUNTY, GEORGIA

**TOTAL PROPERTY LIENS (FIFAs)
LAST FIVE FISCAL YEARS**

Year of Tax Levy	9/30/2013	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018
2009	20,692	11,647	4,190	3,692	2,943	2,080
2010	55,226	31,520	5,939	4,982	4,335	4,025
2011	126,531	36,893	13,621	8,112	5,884	4,910
2012	500,325	154,722	49,984	43,520	8,819	5,539
2013	-	559,625	45,568	33,117	10,899	5,805
2014	-	-	148,317	25,579	12,921	7,064
2015	-	-	*	148,729	27,180	9,137
2016	-	-	-	-	48,141	11,672
2017	-	-	-	-	229,559	22,501
2018						531,251
TOTAL	\$ 702,774	\$ 794,407	\$ 267,619	\$ 267,731	\$ 350,681	\$ 603,984

Source: Cherokee County Tax Commissioner

* Note: In 2015 Property Tax bills were not mailed until October, so no payments were received before year end.

CHEROKEE COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	% of Personal Income	Per Capita	Population	Personal Income
	General Obligation	Resource Recovery Development Authority	Development Authority Loans	Capital Leases	Capital Leases	Capital Leases					
2009	66,020,000	18,145,000	5,448,261	867,005	-	90,480,267	1.22%	420.67	215,084	34,450	
2010	67,097,000	18,145,000	7,279,404	534,350	-	93,055,754	1.25%	434.14	214,346	34,780	
2011	57,067,000	17,545,000	7,109,728	408,254	-	82,129,982	1.02%	376.25	218,286	36,898	
2012	65,317,000	17,220,000	6,872,733	309,209	-	89,718,942	1.06%	405.39	221,315	38,417	
2013	56,017,833	16,679,221	6,614,092	170,889	-	79,482,035	0.89%	356.10	223,200	39,930	
2014	75,810,432	16,327,728	6,342,604	25,062	-	98,505,826	1.01%	426.46	230,985	42,210	
2015	71,658,319	15,955,902	2,582,449	-	-	90,196,670	0.85%	382.35	235,900	44,945	
2016	71,014,585	15,558,720	603,530	594,191	-	87,771,027	0.79%	365.56	240,100	46,547	
2017	66,604,669	11,136,163	-	674,701	-	78,415,533	0.66%	322.52	243,136	49,067	
2018	62,034,037	10,693,205	-	1,414,475	-	74,141,717	0.60%	294.16	252,043	49,067 *	

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has secured a replacement operator who has assumed \$142,243.56 of the debt per year.

* Current Information is not yet available. Using prior year for calculation purposes.

CHEROKEE COUNTY, GEORGIA

**RATIOS OF GENERAL OUTSTANDING DEBT BY TYPE
LAST TEN YEARS**

(Unaudited)

Fiscal Year	General Bonded Debt Outstanding			Less: Amounts available in Debt Service Fund	Net Primary Government	% of Actual Value of Property	Per Capita	Population	Actual Property Value
	General Obligation	Development Authority Bonds	Resource Recovery Development Authority						
2009	66,020,000	775,000	18,145,000	4,023,396	80,916,604	0.90%	376.21	215,084	9,001,790,326
2010	67,097,000		18,145,000	6,268,759	78,973,241	0.96%	368.44	214,346	8,246,552,393
2011	57,067,000		17,545,000	8,526,268	66,085,732	0.86%	302.75	218,286	7,721,058,141
2012	65,317,000		17,220,000	7,969,618	74,567,382	1.04%	336.93	221,315	7,184,006,964
2013	56,017,833		16,679,221	769,088	71,927,966	0.98%	322.11	223,300	7,346,963,565
2014	75,810,432		16,327,728	1,302,487	90,835,673	1.15%	393.25	230,985	7,922,163,058
2015	71,658,319		15,955,902	700,780	86,913,441	1.02%	368.43	235,900	8,524,129,822
2016	71,014,585		15,558,720	178,864	86,394,442	0.93%	359.83	240,100	9,255,282,958
2017	66,604,669		11,136,163	54,352	77,686,480	0.81%	319.52	243,136	9,631,175,330
2018	62,034,037		10,693,205	171,363	72,555,879	0.70%	287.87	252,043	10,371,179,346

Note: Development Authority bonds are issued by the Development Authority, a component unit of the County, but through an agreement the County is responsible for debt service payments over and above revenue generated by the authority to pay the bonds.

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has secured a replacement operator who has assumed \$142,243.56 of the debt per year.

CHEROKEE COUNTY, GEORGIA

**DIRECT GENERAL OBLIGATION AND
OVERLAPPING GENERAL OBLIGATION AND GUARANTEED REVENUE DEBT
SEPTEMBER 30, 2018**

(Unaudited)

General Obligation Debt:		
2009 Issue	\$	2,579,037
2010 Issue		8,017,000
2012 Issue		4,280,000
2014 Issue		19,648,000
2016 Refunding		27,510,000
Total General Obligation Debt		62,034,037
Capital Lease Debt		1,414,475
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds		10,693,205
Total Guaranteed Revenue Debt		10,693,205
Total Direct Debt		74,141,717
Overlapping General Obligation Debt		
Cherokee County School System		480,146,887
Total Overlapping Debt		480,146,887
Total Direct and Overlapping Debt		\$ 554,288,604
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	\$	246.12
Direct Capital Lease Debt		5.61
Direct Guaranteed Revenue Debt		42.43
Overlapping General Obligation Debt		1905.02
	\$	2,199.18

(1) Based on estimated population of 252,043 as provided by the Atlanta Regional Commission.

Note: Resource Recovery Development Authority bonds are issued by the Resource Recovery Development Authority, a blended component unit of the County. The County pledged one millage point to cover debt service payments if the third party operator defaulted on the bonds. The County has not been required to increase the millage rate by 1 millage point, but has assumed responsibility for the debt service payments. The County has secured a replacement operator who has assumed \$142,243.56 of the debt per year.

CHEROKEE COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION

LAST TEN YEARS

(dollars in thousands)

Fiscal Year

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assessed Value	<u>\$ 9,001,790</u>	<u>\$ 8,246,552</u>	<u>\$ 7,721,058</u>	<u>\$ 7,184,007</u>	<u>\$ 7,346,964</u>	<u>\$ 7,922,163</u>	<u>\$ 8,524,130</u>	<u>\$ 9,255,283</u>	<u>\$ 9,631,175</u>	<u>\$ 10,371,179</u>
Debt Limit: 10% of assessed	900,179	824,655	772,106	718,401	734,696	792,216	852,413	925,528	963,118	1,037,118
Less: Debt applicable to debt limit	<u>66,020</u>	<u>67,097</u>	<u>57,067</u>	<u>65,317</u>	<u>56,018</u>	<u>75,810</u>	<u>71,658</u>	<u>71,015</u>	<u>66,605</u>	<u>62,034</u>
Legal Debt Margin	<u>\$ 834,159</u>	<u>\$ 757,558</u>	<u>\$ 715,039</u>	<u>\$ 653,084</u>	<u>\$ 678,678</u>	<u>\$ 716,406</u>	<u>\$ 780,755</u>	<u>\$ 854,513</u>	<u>\$ 896,513</u>	<u>\$ 975,084</u>

CHEROKEE COUNTY, GEORGIA

PLEDGED- REVENUE COVERAGE

LAST TEN FISCAL YEARS

(dollars in thousands)

Fiscal Year	Development Authority Revenue Bonds				Special Purpose Local Option Sales Tax Bonds					
	Debt Service				Sales Tax	Less: Projects	Net Available Revenue	Debt Service		
	Land Sales	Principal	Interest	Coverage				Principal	Interest	Coverage
2009	-	725	48	-	26,479	24,942	1,537	6,515	1,049	0.20
2010	733	287	161	1.64	27,592	22,559	5,033	6,745	804	0.67
2011	-	-	-	-	29,289	11,251	18,038	6,980	536	2.40
2012*	-	-	-	-	22,705	8,947	13,758	-	234	58.79
2013	-	-	-	-	30,240	28,263	1,977	7,295	117	0.27
2014	-	-	-	-	31,690	20,697	10,993	-	-	-
2015	4,144	-	-	-	33,981	26,544	7,437	-	-	-
2016	1,848	-	-	-	35,173	33,855	1,318	-	-	-
2017	4,505	-	-	-	36,606	33,369	3,237	-	-	-
2018	-	-	-	-	38,960	28,336	10,624	-	-	-

*NOTE: In 2012 the County converted from a calendar fiscal year to a 10/1 - 9/30 fiscal year. However, in the year of conversion the County had to budget a short year from 1/1/2012 - 9/30/2012. This had a significant impact on revenues collected in comparison to 2011.

CHEROKEE COUNTY, GEORGIA

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year Ended	Estimated Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
12/31/2009	215,084	7,311,454	34,450	35.2	38,105	10.01%
12/31/2010	214,346	7,486,312	34,780	34.1	38,585	8.90%
12/31/2011	218,286	8,054,368	36,898	36.3	38,290	7.90%
9/30/2012	221,315	8,502,157	38,417	36.7	39,161	6.90%
9/30/2013	223,300	8,988,534	39,930	36.8	39,324	6.00%
9/30/2014	230,985	8,748,231	42,210	37.0	41,322	5.70%
9/30/2015	235,900	8,966,897	44,945	37.2	41,593	4.00%
9/30/2016	240,100	9,294,614	46,547	38.5	42,546	4.10%
9/30/2017	243,136	11,929,954	49,067	37.4	42,172	3.40%
9/30/2018	252,043	12,366,994	49,067 *	37.5	42,270	2.60%

Sources: Georgia Department of Labor, Bureau of the Census, Atlanta Regional Commission, Cherokee County School District and the Cherokee County Development Authority.

n/a Information not yet available.

* Current Information is not yet available. Using prior year for calculation purposes.

CHEROKEE COUNTY, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND TEN YEARS AGO

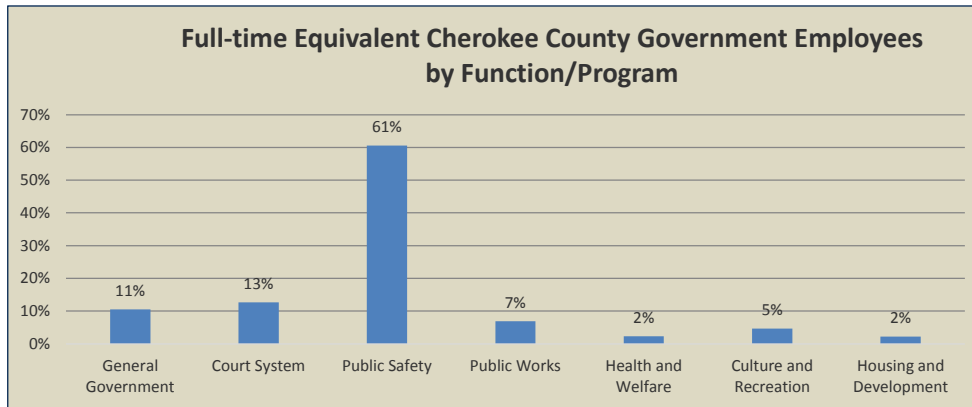
Employer	2018			2009		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Cherokee County Schools	4,865	1	3.7%	4,549	1	4.2%
Northside-Cherokee Hospital	2,700	2	2.0%			
Cherokee County Government	1,523	3	1.2%	1,304	2	1.2%
Publix Supermarkets	1,248	4	0.9%	700	4	0.6%
Inalfa Roof Systems	929	5	0.7%			
Wal-Mart Associates, Inc.	900	6	0.7%			
Pilgrims Pride Corp.	835	7	0.6%	850	3	0.8%
Chart Inc.	650	8	0.5%	313	5	0.3%
Home Depot	546	9	0.4%			
Universal Alloy Corporation	450	10	0.3%	245	6	0.2%
Piolax Corporation	410			186	9	0.2%
Reinhardt University	355			178	10	0.2%
Meyn America, Inc.	269			218	7	0.2%
City of Woodstock	214			195	8	0.2%
	<u>16,661</u>		<u>11.1%</u>	<u>8,738</u>		<u>8.0%</u>

* Information is not readily available.

Source: Cherokee County Chamber of Commerce
 Cherokee County Development Authority
 Georgia Department of Labor
 Cherokee County Mapping Dept

CHEROKEE COUNTY, GEORGIA
FULL-TIME EQUIVALENT CHEROKEE COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
FOR THE LAST 10 FISCAL YEARS

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	142	144	134	127	126	127	133	133	138
Court System	167	167	158	154	155	161	161	164	178
Public Safety	787	784	757	742	745	769	794	816	826
Public Works	92	93	92	90	87	87	91	93	95
Health and Welfare	33	34	33	33	32	32	32	28	34
Culture and Recreation	42	42	39	41	62	70	71	67	68
Housing and Development	33	31	29	22	22	26	26	27	31
Total	1,297	1,295	1,242	1,208	1,231	1,273	1,308	1,328	1,370



CHEROKEE COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Unaudited

	12/31	12/31	12/31	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30
Function/Program	2009	2010	2011	2012*	2013	2014	2015	2016	2017	2018
General Government										
Total registered voters	129,056	133,298	136,239	143,863	147,813	147,965	151,842	164,920	163,869	177,683
Judicial System										
Total criminal dockets	1,296	1,280	1,193	1,171	1,844	1,272	1,354	1,128	1,195	1,108
Total civil cases filed	4,413	3,641	3,323	1,171	2,717	2,445	1,354	2,746	2,657	2,464
Felony arrest warrants	2,873	2,821	1,957	1,702	1,657	2,150	2,412	2,671	3,070	3,370
Marriage licenses issued	960	1,010	1,037	769	1,085	1,142	1,199	1,312	1,379	1,189
Firearm licenses issued	3,064	2,195	2,237	2,224	5,307	4,165	4,813	7,088	4,970	5,937
Public Safety										
Physical arrests	5,958	5,405	5,680	5,409	6,351	5,843	5,848	6,351	5,429	5,739
Fire emergency responses	16,281	17,604	19,215	18,820	18,704	21,074	22,015	24,526	25,765	26,651
EMS dispatches	11,606	11,010	13,331	13,771	13,638	15,073	16,056	16,616	16,842	18,091
All E-911 calls	408,715	336,103	331,736	320,339	317,515	330,337	340,642	343,709	330,933	332
EOC activations	9	11	17	2	9	7	3	4	10	6
Public Works										
Miles maintained	1,257	1,275	1,283	1,285	1,290	1,298	1,308	1,318	1,320	1,327
GDOT LARP/LMIG resurfaced	57	53	17	8	8	20	9	7	11	43
Health and Welfare										
Home delivered meals	50,241	45,609	46,184	34,103	39,207	43,754	37,598	38,335	28,900	31,983
Housing and Development										
Building inspections conducted	6,037	6,287	5,795	4,854	8,676	11,252	12,909	17,769	23,624	26,040
New business licenses	1,262	1,096	1,168	743	777	790	908	763	624	737
Business license renewals	5,812	5,425	4,283	4,117	5,316	5,192	4,926	6,113	7,245	5,318

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

CHEROKEE COUNTY, GEORGIA

**CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012*</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental										
Buildings/Land	23	22	22	19	20	19	19	19	16	24
Vehicles	30	32	31	31	31	32	32	40	40	46
Judicial										
Buildings/Land	1	1	1	1	1	1	1	1	1	1
Vehicles	19	21	19	19	19	19	19	19	22	18
Sheriff/Law Enforcement										
Buildings/Training Ctr/Land	11	11	11	11	11	13	11	11	11	11
Vehicles	274	281	261	268	279	272	267	274	285	284
Fire/EMS										
Fire Stations/Training Ctr/Land	20	21	20	21	21	24	25	26	29	30
Vehicles	58	78	79	81	81	80	81	81	81	86
Pumpers/Ladder Trucks	40	40	38	38	39	40	43	40	41	45
Animal Shelter/Animal Control										
Building/Land	2	2	2	2	2	2	2	2	2	3
Vehicles	8	8	8	8	9	9	10	10	11	12
Public Works										
Buildings/Land	9	9	9	9	9	9	9	10	11	11
Street Miles	1257	1275	1283	1285	1290	1298	1308	1318	1320	1327
Traffic Signals	52	52	52	52	53	54	54	55	56	56
Bridges/Culverts	70	70	70	70	70	70	70	70	70	70
Vehicles	64	65	64	63	65	68	68	78	74	81
Machinery & Equipment	60	59	56	57	58	57	62	69	71	74
Health Welfare										
Buildings/Land	3	3	3	3	2	3	8	8	8	10
Vehicles	18	4	6	6	6	5	5	8	12	11
Culture/Recreation										
Buildings/Land	33	61	57	58	59	58	59	59	58	59
Code Enforcement										
Buildings/Land	3	3	3	3	3	3	3	3	3	0
Vehicles	19	18	17	17	18	17	18	25	22	25
Environmental Health										
Vehicles	2	2	2	2	0	0	0	0	0	0
Ball Ground Recycling										
Buildings/Land				6	6	6	0	0	0	0
Machinery & Equipment				44	44	44	0	0	0	0
Total Assets	2,076	2,138	2,114	2,174	2,196	2,203	2,174	2,226	2,244	2,284

Source: Cherokee County Finance Department