

# 2019 ANNUAL CITIZEN'S REPORT

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ANNUAL REPORT TO THE CITIZENS OF  
CHEROKEE COUNTY, GEORGIA FOR FISCAL YEAR 2019:  
OCTOBER 1, 2018 – SEPTEMBER 30, 2019



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## LETTER FROM THE CHAIRMAN

March 31, 2020

Citizens of Cherokee County, Georgia:

On behalf of the Cherokee County Board of Commissioners, I am pleased to present our annual Citizen's Report for Fiscal Year 2019 (FY19). This report is a summary of how your tax dollars and other revenues have been managed throughout the year. State law and local ordinances require that every general purpose local government publish a complete set of audited financial statements each fiscal year which is the Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on our [www.cherokeega.com](http://www.cherokeega.com).

As part of our commitment to be transparent for our citizens, the Popular Annual Financial Report (PAFR) is published to summarize the County's financial activities. It provides an overview of our organizational structure, services offered to our citizens, and financial state. The information in this report is extracted from the County's CAFR. The PAFR is prepared by Cherokee County to increase public understanding and confidence in County government through an informal, easy, and user-friendly financial report.

Regards,

*Harry*

Harry Johnston  
Chairman, Cherokee County Board of Commissioners



Harry Johnston



Steve West



Raymond Gunnin



Benny Carter



Cory Ragsdale

## BOARD OF COMMISSIONERS

Chairman: Harry Johnston

Board of Commissioners

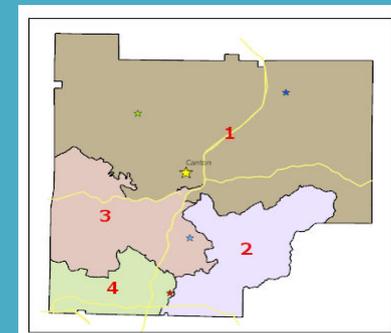
District 1: Steve West

District 2: Raymond Gunnin

District 3: Benny Carter

District 4: Cory Ragsdale

Term: 4 years



# ABOUT CHEROKEE COUNTY



**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. We are perfectly located 30 miles north of Atlanta where "Metro Meets the Mountains". There are 5 main municipalities in Cherokee County: Canton, Woodstock, Ball Ground, Holly Springs, and Waleska.**



|                               |         |
|-------------------------------|---------|
| 2019 Population Estimate      | 263,978 |
| 2010-2019 Population % Change | 23.2%   |
| Education Attainment:         |         |
| • High School Graduate        | 91.4%   |
| • Bachelor's degree or higher | 37.0%   |
| Median Family Income          | 79,670  |
| 2019 Unemployment Rate:       |         |
| • United States               | 3.5%    |
| • Georgia                     | 3.5%    |
| • Cherokee County             | 2.4%    |
| Square Miles of Area          | 434     |
| 2019 General Millage Rate     | 5.216   |

Cherokee County ranked in Top 10 counties to live in Georgia

2019 safest cities to live in Georgia:

- #14 Holly Springs
- #15 Woodstock
- #43 Canton

2<sup>nd</sup> lowest crime rate in 20 counties in Atlanta area. Second only to Forsyth County.

# OUR MISSION

## 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.

Destination  
**CHEROKEE**  
Georgia



## ELECTED OFFICIALS

## APPOINTED OFFICIALS

County Manager  
County Clerk  
County Attorney

Jerry W. Cooper  
Christy Black  
Angela Davis, Jarrard & Davis LLP

Sheriff  
Tax Commissioner  
District Attorney  
Chief Judge  
Superior Court Judge  
Superior Court Judge  
Clerk of Superior Court  
State Court Judge  
State Court Judge  
State Court Judge  
Juvenile & Family Court Judge  
Juvenile & Family Court Judge  
State Court Solicitor  
Magistrate Court Judge  
Judge of Probate Court  
Coroner  
Surveyor

Frank Reynolds  
Sonya Little  
Shannon Wallace  
Jackson Harris  
David Cannon, Jr.  
Ellen McElyea  
Patty Baker  
Michelle Homier  
Alan Jordan  
Dee Morris  
Anthony Baker  
John B. Sumner  
Jessica Moss  
James Drane  
Keith Wood  
Earl Darby  
Ron Wikle



# THE 2019 HAPPENINGS



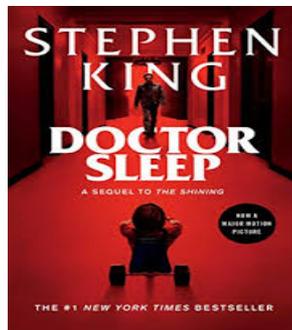
**Dolly Parton's Heartstrings** is an American TV Series produced by Netflix. **Canton and Free Home** were used in the filming.

During 2019, **Cherokee County Office of Economic Development** received two awards:

- 1) **"Georgia Deal of the Year"** from the Georgia Economic Developers Association for **The Mill on Etowah**.
- 2) **"Gold"** Award for excellence in Economic Development from the Economic Development Council for **Cherokee 75 Corporate Park**.



Cherokee County is a **"Camera Ready Community."** 39+ Works, 8 TV episodes, 17 ads and promos, and 4 feature films were filmed in **Cherokee County** during 2019.



**Stephen King's Doctor Sleep** continues the story of Danny Torrance, 40 years after his terrifying stay at the Overlook Hotel in **The Shining**. Portions of the movie were **filmed in Canton**.

The **Cherokee County Adult Detention Center** was used in the filming of **Sextuplets**. Marlon Wayans played all six main characters. The movie was released in 2019.



Yanmar EVO//Center, a multi-purpose showroom and training center, opened in 2017. **Yanmar** was the sight of the inaugural **Cherokee Film Summit** in 2019 which received the **"Special Judges Award of Excellence"** from the Southern Economic Development Council.



Northside Hospital-Cherokee opened in 2017. During 2018 an **8th floor** opened with an **additional 40 beds**. In 2019 the hospital opened a **five-story 125,000-square-foot** medical office building and completed a two-story expansion of the **Woman's Center** and **neonatal intensive care unit**.



**WellStar Health System** opened the new **Cherokee Health Park** at Holly Springs, located off I-575 and Sixes Road. The **Health Park** is a four-story, 112,000 square foot facility and offers integrated care services, including **primary care, specialty physicians, urgent care and rehabilitation and follow-up** in one location.

# CHEROKEE'S RECOGNITIONS



## RECREATION & PARKS

Cherokee Recreation & Parks Agency received six awards from GRPA for outstanding programs and services, including:

*GRPA District 5 Class Agency of the Year.*



## ENGINEERING DEPT

Awarded the **Merit Award in Engineering Excellence** for the **East Cherokee Drive at Gaddis Road Roundabout** project.

## FIRE & EMS Awards

- Fire Training Center obtains **Paramedic Training Center Accreditation**
- Construction began on **North Canton Fire Station**
- Fire Prevention delivers "**Drunk Busters**" Program to students
- Added **additional 24 hour ambulance** totaling 13 serving Cherokee County
- Graduated **46 new fire recruit** Firefighters

## FINANCE

**AA+** Investment Rating

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

**GFOA** Distinguished Budget Presentation Award

**GFOA** Award for Outstanding Achievement Popular Annual Financial Reporting



## MARSHAL'S OFFICE

The **Marshal's Office** was recertified as a **State certified law enforcement agency**.

## THE E-911 CENTER

Re-certified as a **Nationally Accredited 911 communications center**. It is only **1 of 10** in the state and **1 of 99** in North America.



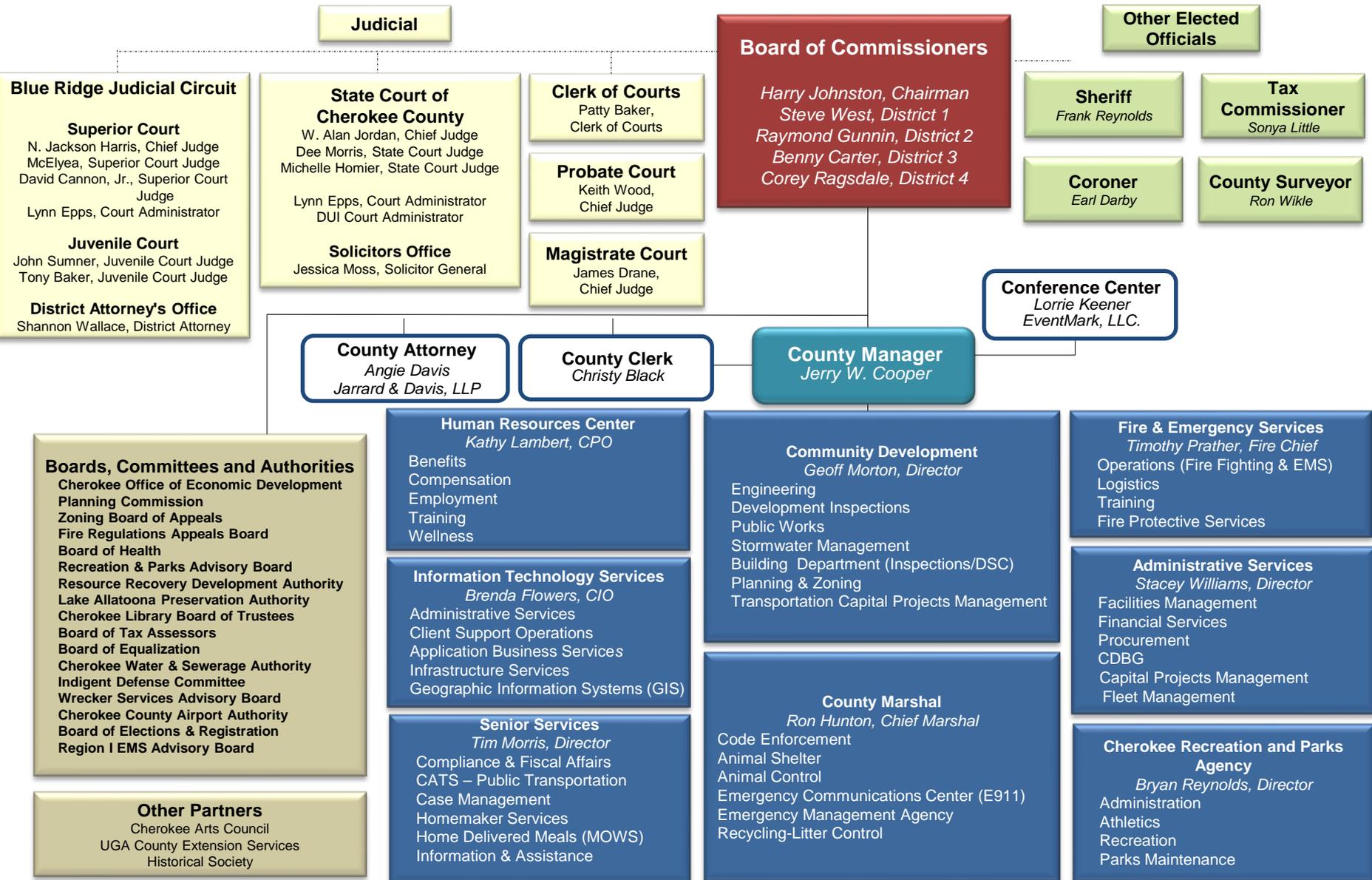
## SHERIFF'S OFFICE

The **Sheriff's Office** was awarded their initial accreditation through **ACA (American Correctional Association)** which earned us "**Triple Crown**" recognition through the **National Sheriff's Association - CALEA, NCCHC, and ACA**.

## CHEROKEE PROBATION SERVICE

**Newly created** and acknowledged as a State-Recognized **Misdemeanor Probation Provider**.

# ORGANIZATIONAL CHART



# PUBLIC SAFETY

## DID YOU KNOW?

Fire Training Center obtained Paramedic Training Center Accreditation through CAAHEP (Commission on Accreditation of Allied Health Education Programs).

Animal Control handles calls in all cities of Cherokee County

You can find County ordinances online at  
[www.municode.com](http://www.municode.com).

|                                     |                |
|-------------------------------------|----------------|
| <b>Sworn Officers</b>               | <b>378</b>     |
| <b>Firefighters/EMTS/Paramedics</b> | <b>385</b>     |
| <b>Total Fire Incidents</b>         | <b>597</b>     |
| Structure Fires                     | 164            |
| All Other Fire Incidents            | 433            |
| <b>Total EMS Incidents</b>          | <b>18,348</b>  |
| <b>All Other Incidents</b>          | <b>8,970</b>   |
| <b>Ambulance Transports</b>         | <b>12,947</b>  |
| <b>Code Enforcement Complaints</b>  | <b>4,105</b>   |
| <b>Animal Control Complaints</b>    | <b>4,466</b>   |
| <b>E-911 Call Volume</b>            | <b>325,118</b> |
| 911 Lines                           | 103,123        |
| Administrative Lines                | 145,208        |
| Alarm Lines                         | 19,345         |
| Outbound Calls                      | 56,442         |

## AVERAGE RESPONSE TIME

**00:05:15**

**Law Enforcement**

**00:06:17**

**Fire & Emergency Services**



# PUBLIC WORKS



The County maintains  
**1,226** miles of paved  
roadways. In 2019, our  
Public Works crews  
resurfaced **25** miles.



**70** Bridges/Culverts  
**58** Traffic Signals  
**648** County Vehicles



**CATS Transportation**  
**21,986** riders  
on the Fixed Route System  
Demand Response Service  
**58,898** riders



**2** County Recycling Locations  
**75.5** tons of roadside litter was  
collected on  
**800** miles of roadway.

## DID YOU KNOW?

### Upcoming Projects in 2020

- Univeter Road at New Light Road and Pinecrest Road intersections improvement and traffic signal
- Canton Road sidewalk – Cobb County line to Stockwood Drive
- Union Hill Road over Mill Creek bridge replacement
- SR 140 at East Cherokee Drive intersection improvement
- Woodstock Road at Victory Drive roundabout
- Wiley Bridge Road at Cox Road roundabout
- Batesville Road at Sugar Pike Road roundabout
- Union Hill Road at Lower Union Hill Road roundabout
- Holbrook Campground Road at County Line Road/Birmingham Road roundabout
- SR 140 at Sugar Pike Road traffic signal
- Trickum Road reconstruction – Sycamore Lane to Cobb County line
- Hames Road reconstruction

County residents recycled **285** tons  
of glass

**100** County facilities are maintained by  
Property Maintenance with a total square  
footage of

**+/- 1 Million**

**Stormwater** Inspected **2,105**

structures and **110** miles of pipe and ditch.

Maintained and repaired  
**886** structures, **26,218** feet of pipes.

**6,435** **Development Inspectors** inspected  
sites for development/construction.

# RECREATION & PARKS



**Making Life Better in Cherokee County  
By Preserving Our Parks and Facilities  
While Creating More Active and  
Healthier Communities through  
Recreation**



**Average Homeowner paid just \$8.61 for maintenance and operations of county parks and recreation programs in FY19**

- **Over 3.4 Million Visits to Parks and Program Participations**
- **Total Park Acres** 2,443
- **Total Park Acres per 1,000 Residents** 9.6
- **Events hosted in County Parks & Facilities** 82
- **Operating Expense per Acre** \$2,160
- **Cost Recovered through Earned Revenue** 52%
- **National Average for Public Recreation Agencies** Less than 25%

## DID YOU KNOW?

**Combined, 82 baseball/softball, lacrosse tournaments and swim meets had more than \$10.5 Million impact on the local economy.**

*Source: Data collected from tournament & meet organizers and Georgia Department of Tourism.*

**4,159 Acres Protected as  
Current & Future Parks**

- Completed Cherokee County Recreation, Parks, Green Space & Trails Master Plan
- Added Outdoor Programming and More Therapeutic Program Opportunities
- Opened the Monument at Cherokee Veterans Park
- Added an outdoor Fitness Curt at Hobgood Park
- Expanded the Playground at Cherokee Veterans Park
- Added a New Pavilion at Cherokee Veterans Park



# COMMUNITY DEVELOPMENT/INDUSTRY MIX

## INDUSTRY GROWTH / INVESTMENT

ALMOST  
**\$177,000,000**  
 IN INVESTMENT

On average, Cherokee County has seen over 34% of growth and investment.

OVER **5100**

New jobs generated from new project announcements/locations in the last 6 years



### DID YOU KNOW?

The Cherokee County Airport is able to accommodate private jets.

Cherokee County is a part of the Atlanta Regional Commission (ARC).

**299** plans were submitted for site plan approval.



Map of Atlanta Regional Commission

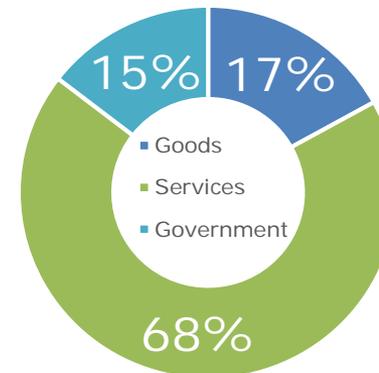
**5318**

Business Licenses issued

**737**

New Business Licenses

## INDUSTRY MIX



The industry mix was relatively unchanged from 2014 to 2018. Between 2000 to 2018, Cherokee's population grew 86.0% which created significant construction opportunities.

*Note: At printing of this report the 2019 County Industry Mix had not been published so 2018 is being used instead. We anticipate only minor changes when it is published.*

# CHEROKEE'S FUND BALANCES

## FUND BALANCE GROWING

### GENERAL FUND

The General Fund is one of the three major funds and the general operating fund of the County. It supports the regular day-to-day operations. Fund balance has grown to 41.5% of 2019 expenditures.

### FIRE DISTRICT FUND

The Fire District Fund is another major fund which is primarily supported by property taxes for the operations of the fire department. At fiscal year-end 2019, the total fund balance totaled 21.4% of expenditures.

### SPLOST FUNDS (SALES TAX)

The SPLOST Funds (Special-Purpose Local-Option Sales Tax) comprise the third major fund. These funds account for collections of the SPLOST Tax. Capital project spending is dependent on the progress of construction. 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 will be completed in future years.

### OTHER SPECIAL REVENUE FUNDS

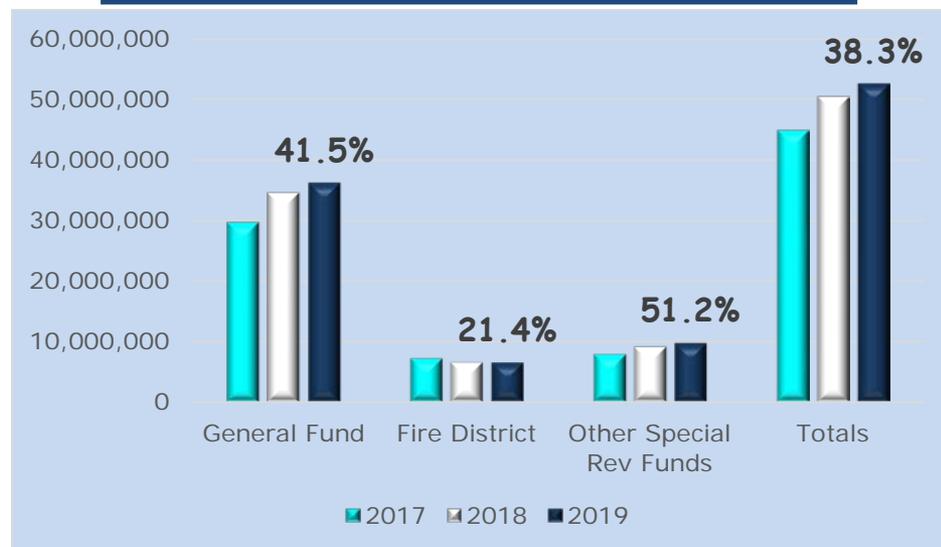
This category is a combination of all other special revenue funds. This does not include any construction or debt funds. These are the other funds that are needed in running the County. They include the E911 Fund, Hotel/Motel Tax Fund, Community Development Block Grant (CDBG) Fund, Parks and Recreation Fund, Law Library Fund, and many other funds related to the Judicial and Public Safety sections of the County. At year-end 2019 the total fund balance of these Funds was 51.2% of expenditures.

## Total Fund Balances are

# 38.3%

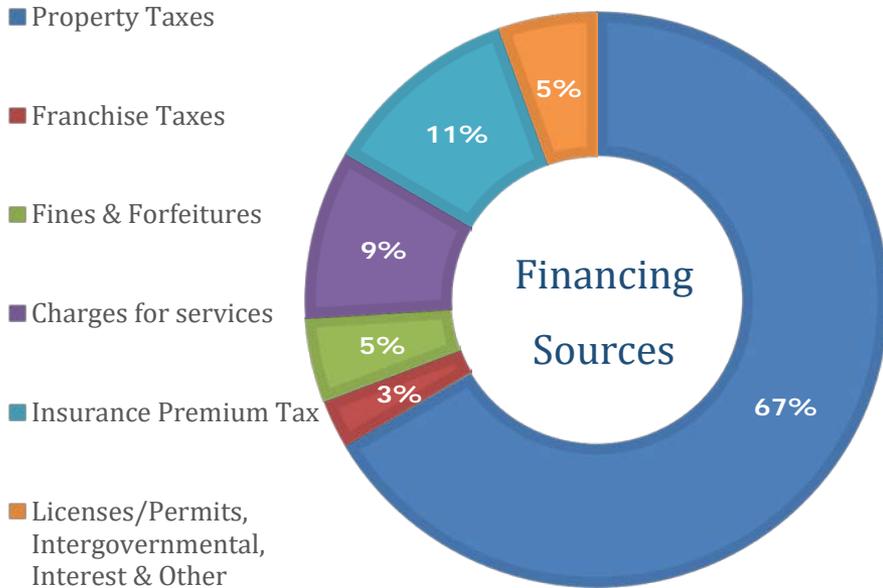
of Expenditures of  
the 2 major operating  
funds and special  
revenue funds

## FY2019 BALANCES



# GENERAL FUND

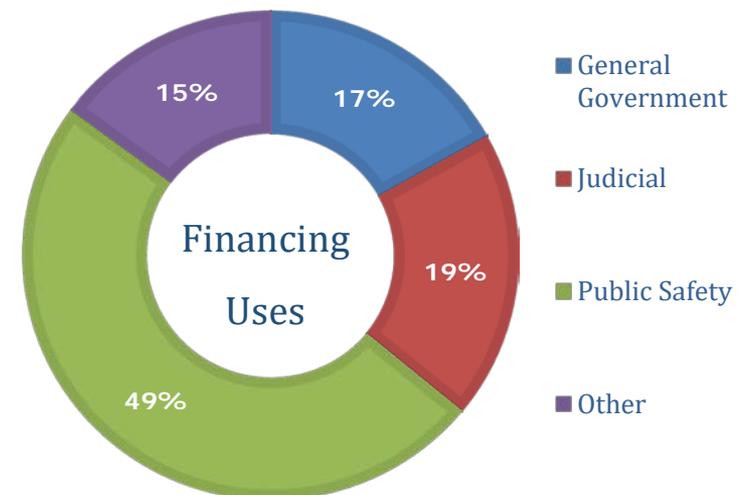
The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.



After the County collects taxes and other revenue, the monies must be spent efficiently to provide services to our citizens and businesses. The expenditures of the General Fund are classified by the type of service provided:

- |                             |                                  |
|-----------------------------|----------------------------------|
| <b>General Government</b>   | <b>Culture &amp; Recreation</b>  |
| <b>Judicial Services</b>    | <b>Housing &amp; Development</b> |
| <b>Public Safety</b>        | <b>Capital Outlay</b>            |
| <b>Public Works</b>         | <b>Intergovernmental</b>         |
| <b>Health &amp; Welfare</b> | <b>Debt Service</b>              |

## WHERE YOUR MONEY GOES

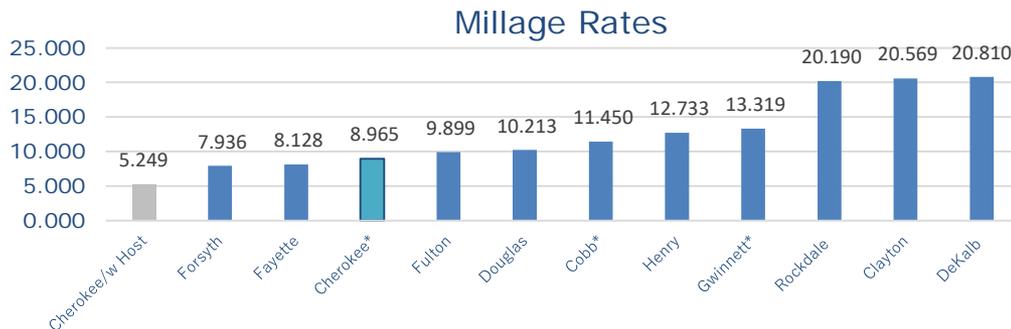
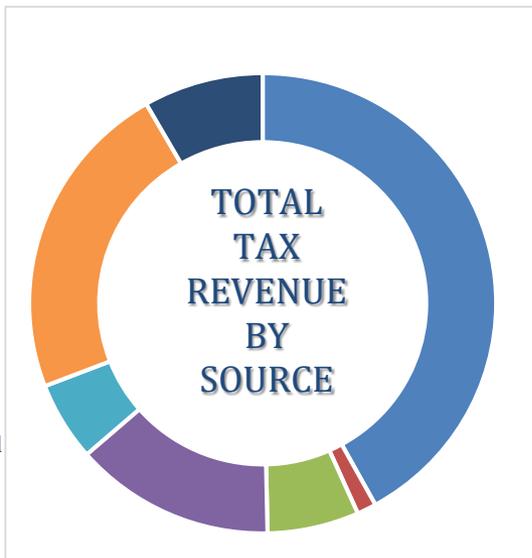


## REVENUE VS. EXPENSES



# MAJOR TAXES ASSESSED BY THE COUNTY

- 42% Real/Personal Property Tax
- 1% Intangible Tax
- 6% MV/TAVT Tax
- 14% Licenses, Charges for Service, & Fines / Forfeitures
- 6% Insurance Premium Tax
- 23% Special Purpose Local Option Sales Tax
- 8% Other Taxes



\* Indicates Counties without 1 cent sales tax (LOST or HOST) Counties with this tax must reduce property tax rates, resulting in lower Millage rates.

## AD VALOREM TAX / TAVT

The TAVT (Title Ad Valorem Tax) fee was implemented in 2013 and generated new revenue for the County's General Fund, but this fee eliminated sales tax on vehicle sales.

## SALES TAX

SPLOST tax revenue peaked in 2007 but decreased from 2008 until 2010 because of the economic downturn. The revenue began to increase and 2015 taxes exceeded the 2007 totals. The total is now increasing each year. The amount collected in 2019 was more than 35% greater than the 2007 total.

## PROPERTY TAX

Property taxes are recognized as revenues in the fiscal year for which they are collected. Property taxes collected in September are for the next fiscal year beginning October 1. The 2019 Tax Digest increased 7.57% with 4.56% new growth. In July 2019, the County did complete a full rollback of millage rates. Cherokee County has the third lowest combined millage rate in the metro-Atlanta area.



## WHERE DOES YOUR PROPERTY TAX DOLLAR GO?



**\$0.69**

Cherokee County  
School District

**\$0.18**

Cherokee County

**\$0.12**

Cherokee County Fire  
& Emergency Services

**\$0.01**

Cherokee County Parks



Median value of a home in FY2019 was  
**\$274,200\*** compared to \$256,300 in FY2018

### Taxes on a \$274,200 home in FY 2019

|            |          |
|------------|----------|
| County     | \$546.01 |
| Fire       | \$358.54 |
| Parks Bond | \$ 52.64 |

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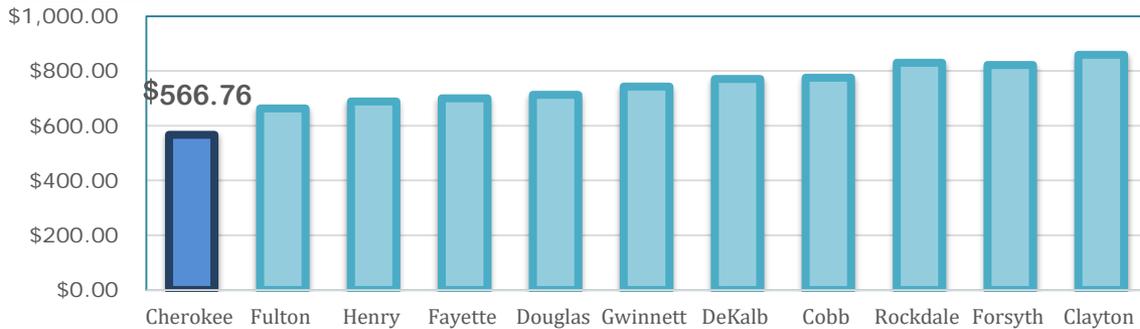
**Year Total** **\$957.20**

The average taxpayer  
paid **\$2.63** per day  
which is less than the price  
of **1** large cup of freshly  
brewed **coffee**.

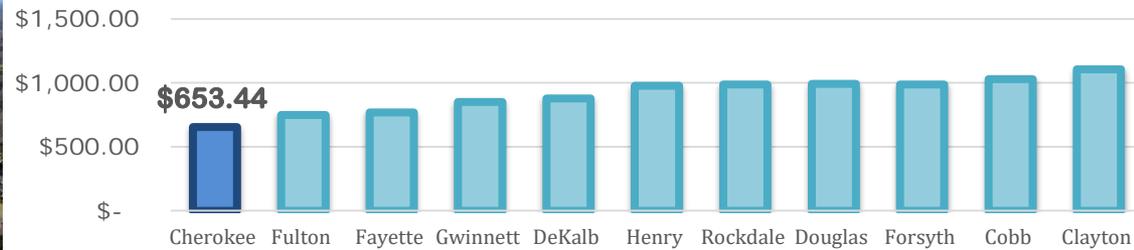
\*Source: Cherokee County Tax Assessor

# PER CAPITA COMPARISONS

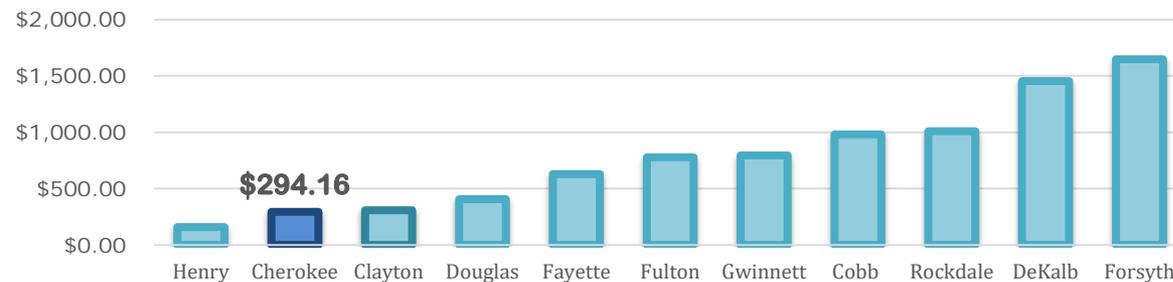
## TAXES PER CAPITA



## EXPENDITURES PER CAPITA



## LONG TERM DEBT PER CAPITA



Source: Per Capita information is based on 2018 CAFR for all counties listed, as not all 2019 CAFR's were available.

# FINANCIAL REVIEW OF FISCAL YEAR

## Governmental Funds (e.g. General Fund, E-911 Fund, etc.)

Figures presented in millions. Totals subject to rounding

|   | FY 2017        | FY 2018        | FY 2019        |
|---|----------------|----------------|----------------|
| <b>Revenues:</b>  |                |                |                |
| Property Taxes  | \$85.4         | \$89.9         | \$96.0         |
| Insurance Premium Taxes                                   | 9.3            | 10.0           | 10.7           |
| Sales and Use Taxes                                       | 36.6           | 39.0           | 43.6           |
| Other Taxes (Alcohol, Franchise, Other)                   | 4.0            | 3.9            | 4.1            |
| Licenses and Permits                                      | 3.3            | 3.3            | 2.7            |
| Intergovernmental   | 9.5            | 12.4           | 14.3           |
| Fines and Forfeitures                                     | 6.6            | 6.8            | 6.1            |
| Charges for Services                                      | 18.0           | 19.3           | 20.8           |
| Investment Earnings                                       | 0.9            | 2.0            | 3.4            |
| Contributions and Donations                               | 0.3            | 0.4            | 0.2            |
| Other Revenues  | 1.6            | 1.4            | 1.7            |
| <b>Total Revenues:</b>                                    | <b>\$175.6</b> | <b>\$188.4</b> | <b>\$203.7</b> |
| <b>Expenditures:</b>                                      |                |                |                |
| General Government  | \$12.4         | \$16.0         | \$15.1         |
| Judicial  | 16.7           | 17.7           | 19.8           |
| Public Safety   | 70.3           | 73.4           | 81.1           |
| Public Works  | 9.3            | 10.8           | 12.2           |
| Health and Welfare  | 3.1            | 3.0            | 3.2            |
| Culture and Recreation                                    | 8.4            | 7.6            | 7.8            |
| Housing And Development                                   | 4.3            | 5.0            | 5.5            |
| Capital Outlay  | 31.2           | 13.3           | 39.3           |
| Intergovernmental   | 10.3           | 10.4           | 12.7           |
| Debt Service  | 11.4           | 7.5            | 11.5           |
| <b>Total Expenditures:</b>                                | <b>\$177.4</b> | <b>\$164.7</b> | <b>\$208.3</b> |
| Excess (deficiency) of Revenues over (under) Expenditures | \$1.8          | \$23.7         | -\$4.7         |
| Total other financing sources (uses)                      | -\$ .9         | -\$ .6         | -\$2.2         |
| <b>Net Changes in Fund Balances</b>                       | <b>-\$2.7</b>  | <b>-\$23.1</b> | <b>-\$6.9</b>  |
| Beginning Fund Balances                                   | \$106.6        | \$104.5        | \$127.6        |
| Prior Period Restatement                                  | .6             |                |                |
| <b>Ending Fund Balances</b>                               | <b>\$104.5</b> | <b>\$127.6</b> | <b>\$120.7</b> |

The Financial Review section is designed to provide details on the financial health and stability of Cherokee County. Included within this section are discussions of major revenue sources and major expenditure categories, analysis of fund balances, analysis of net position and significant financial trends. Information contained within this section is intended to provide the reader with an increased level of understanding of how available resources are utilized to provide services to the Citizens of Cherokee County.

During fiscal year 2019, the county's governmental funds reported a combined ending fund balance of \$120.7 million, which indicates a decrease of \$6.9 million from the prior year. This decrease in fund balance is attributed to SPLOST revenue that has been accumulating, now in the process of being spent on an addition to the jail. This decrease is somewhat offset by an increase in the property tax digest.

The County's proprietary funds reported a combined ending net position of \$1.8 million which was a decrease of \$ .9 million from 2018. The EMS and Conference Center fund balance declined \$ .9 million while the internal service funds for fleet and healthcare fund balance remained the same.

Sources: Cherokee County Comprehensive Financial Report for the respective Fiscal Year

Statement of Revenues, Expenditures & in Changes in Fund Balances (Governmental Funds)

Statement of Revenues, Expenditures & in Changes in Net Position (Proprietary Funds)

## Proprietary Funds (EMS, Conference Center, w Internal Service Funds)

Figures presented in millions. Totals subject to rounding

|  | FY 2017       | FY 2018       | FY 2019       |
|--|---------------|---------------|---------------|
| <b>Operating Revenues:</b>               |               |               |               |
| Charges for Services                     | \$21.4        | \$21.6        | \$24.0        |
| Miscellaneous Revenue                    | 1.9           | 0.6           | 1.2           |
| <b>Total Operating Revenues:</b>         | <b>\$23.3</b> | <b>\$22.2</b> | <b>\$25.2</b> |
| <b>Operating Expenses:</b>               |               |               |               |
| Personal Services                        | \$6.3         | \$6.1         | \$8.4         |
| Contractual Services                     | 2.6           | 2.5           | 2.8           |
| Claims Paid                              | 14.0          | 14.1          | 16.9          |
| Supplies                                 | 1.4           | 1.3           | 1.4           |
| Bad Debt                                 | 0.0           | 0.0           | 0.0           |
| Depreciation                             | 0.5           | 0.5           | 0.5           |
| <b>Total Operating Expenditures:</b>     | <b>\$24.8</b> | <b>\$24.4</b> | <b>\$30.0</b> |
| <b>Operating Income (Loss)</b>           | <b>-\$1.5</b> | <b>-\$2.2</b> | <b>-\$4.8</b> |
| <b>Non-Operating Revenues</b>            |               |               |               |
| Gain (Loss) on disposal of capital asset | 0.0           | \$0.0         | \$0.0         |
| Contributions                            | 0.0           | 0.0           | 0.0           |
| <b>Total Non-Operating Revenues</b>      | <b>\$0.0</b>  | <b>\$0.0</b>  | <b>\$0.0</b>  |
| Capital Contributions                    | 0.0           | 0.0           | 0.0           |
| Transfers-in                             | 1.6           | 2.3           | 3.0           |
| <b>Changes in Net Position</b>           | <b>\$0.1</b>  | <b>\$0.1</b>  | <b>-\$1.8</b> |
| Beginning Net Position as restated       | \$4.0         | \$3.7         | \$3.5         |
| <b>Ending Net Position</b>               | <b>\$4.1</b>  | <b>\$3.8</b>  | <b>\$1.8</b>  |

# REVENUES AND EXPENDITURES

## Revenues

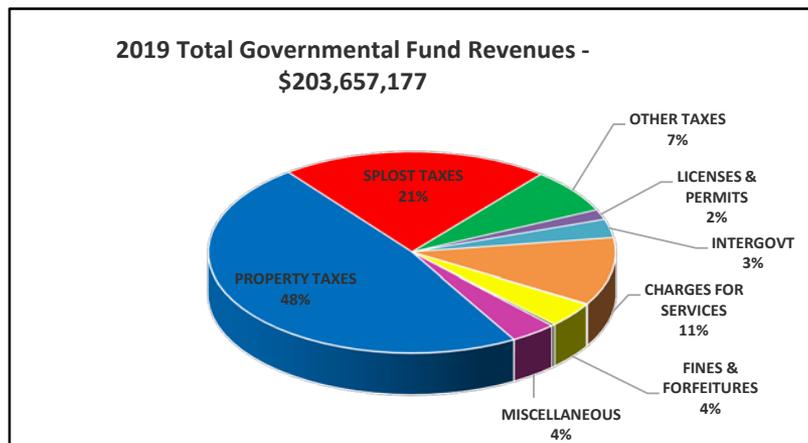
For fiscal year ending September 30, 2019, the County's revenues for all Governmental Funds totaled \$203.7 million, which was \$15.3 million higher than FY2018. There were several factors contributing to this increase:

**Property tax revenue** increased \$6.0 million. Cherokee County Commissioners approved a full rollback of millage rates in 2019. The increase in property taxes was due to a 4.56% increase in new growth and higher TAVT receipts.

**Sales tax revenue** also increased \$4.6 million in 2019. Sales tax has been steadily increasing due to the building and opening many of many new businesses, such as the Outlet Shoppes of Atlanta, located in Woodstock, Cabela's and the Canton Exchange.

**Intergovernmental revenue** increased from \$12,388,444 in 2018 to \$14,317,096 in 2019, or \$1,928,652. The largest portion of this increase was due an increase in the LMIG grant from GDOT (Georgia Department of Transportation) and another GDOT payment for a GDOT Off System Safety Project. In addition, Cherokee County has signed IGA's with the City of Canton and the City of Holly Spring for the purchase of an 800 MgHZ radio project.

The **Insurance Premium tax** increased \$.7 million in 2019.



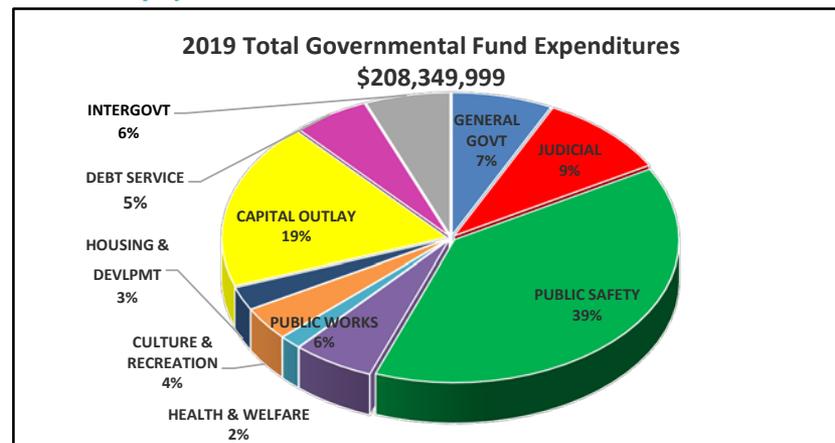
## Expenditures

For fiscal year ending September 30, 2019, the County's governmental funds totaled \$208.3 million. Expenditures within Government Funds decreased \$43.7 million between 2018 and 2019. Major variances include the following:

The majority of the increase were in **Capital Outlay** expenditures as \$26M was spent as the Adult Detention Center expansion began. Several other new projects began due to the SPLOST renewal last year. These included upgraded equipment (\$7M) for E911, Public Safety vehicles (\$2.5M), new Public Works facility (\$1.2M), and Parks Land purchase of \$1M.

**Public Safety** increased spending \$7.7 million. All employees received a 3% COLA and the cost of health and pension benefits increased. The Fire Department added 13 new positions to upgrade existing stations. The Sheriff's office added 14 new positions in anticipation of the jail expansion, which began in 2019. Inmate medical costs increased \$.3M.

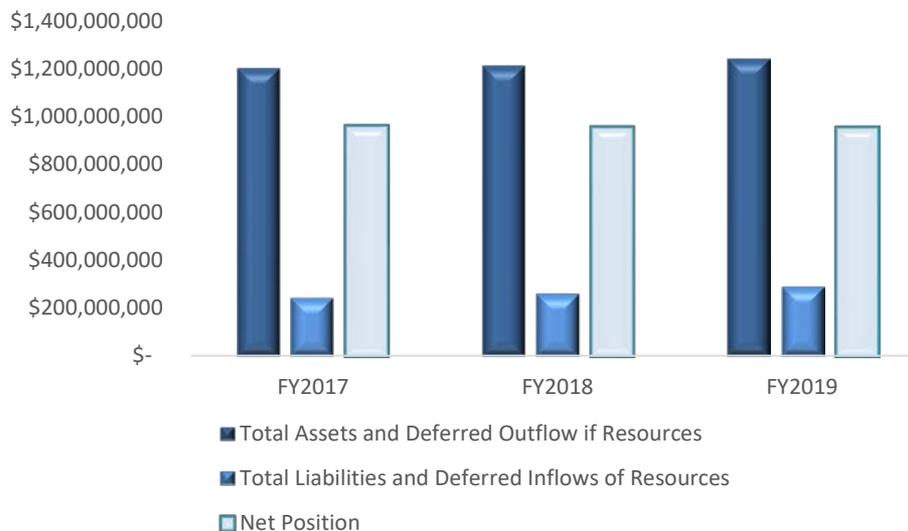
**General Government** decreased expenditures \$821,492 from 2018. There is an explanation for this. In 2018 Cherokee County made an additional payment of \$1.8M to fund the Defined Benefit Plan. This payment artificially increased 2018 expenses. No additional payment was made in 2019, so in effect, there was an increase of \$1.0M in expenditures in 2019. This increase covered the 3% COLA that all employees received in 2019.



# STATEMENT OF NET POSITION AS OF SEPTEMBER 30, 2019

|                                | FY 2017              | FY 2018              | FY 2019              |
|--------------------------------|----------------------|----------------------|----------------------|
| Total Assets                   | \$1,184,452,098      | \$1,180,187,236      | \$1,185,658,765      |
| Deferred Outflows of Resources | 19,002,569           | 34,625,062           | 58,168,129           |
| Total Liabilities              | (165,528,372)        | (163,491,617)        | (190,345,907)        |
| Deferred Inflows of Resources  | (76,026,991)         | (94,740,416)         | (97,903,982)         |
| <b>Net Position</b>            | <b>\$961,899,304</b> | <b>\$956,580,265</b> | <b>\$955,577,005</b> |

The **Statement of Net Position** is designed to provide readers with a broad overview of Cherokee County's governmental and business-type activities, in a manner similar to a private sector business. This statement presents the difference between the County's Assets and Deferred Outflows of Resources from Liabilities and Deferred Inflows of Resources as Net Position.



The County's Assets and Deferred Outflows recognized an increase during the year ending September 30, 2019 of \$1.2 million. This increase can be attributed to an increase in deferred outflows related to the pension plan. The County's Liabilities and Deferred Inflows increased by \$3 million primarily attributed the 3% cola that all employees received.

## DEFINITION OF KEY TERMS

|             |   |
|-------------|---|
| Assets      | Any resource owned by the County. May be tangible or intangible. Includes cash, investments, buildings, and roads.  |
| Liabilities | <p>Future spending of revenue as a result of past transactions and other past events. Liabilities are reported on a balance sheet and are divided into two categories:</p> <ul style="list-style-type: none"> <li>• Current liabilities: These liabilities are reasonably expected to be liquidated within a year.</li> <li>• Long-term liabilities: These liabilities are reasonably expected not to be liquidated within a year.</li> </ul> |

|                               |   |
|-------------------------------|---|
| Deferred Outflow of Resources | A consumption of net assets by the government that is applicable to a future reporting period. An example of a deferred outflow is a grant paid in advance of meeting the timing requirement.                       |
| Deferred Inflow of Resources  | An acquisition of net assets by the government that is applicable to a future reporting period. An example of a deferred inflow of resources are taxes received in advance of the period for which they are levied. |
| Net Position                  | Total assets minus total liabilities of either the County as a whole or for a specific fund (e.g. EMS and Conference Center).   |

# CAPITAL IMPROVEMENTS/6-YEAR CIP

## CAPITAL IMPROVEMENT PROJECTS UNDER CONSTRUCTION COMPLETED DURING FISCAL YEAR 2019

## \$253 million SPLOST

The SPLOST Funds account for sales tax collections and project expenses. Most of the County's capital projects are funded by SPLOST funds. These funds collect sales tax revenue each month, if this revenue is not spent in the current year, the balance will accumulate and carryforward, and the projects will be completed in future years.

### Public Safety Projects

- Purchased 3 canine officers
- Purchased 15 Sheriff vehicles
- Fire purchased a transit connect van
- Fire purchased an E-One Typhoon Engine
- Fire purchased 3 cardiac Monitors
- Marshal created a new Probation Office
- Animal Shelter built barn with fence
- Animal Shelter completed Surgery/Medical
- Animal Shelter Elite dental unit with compressor



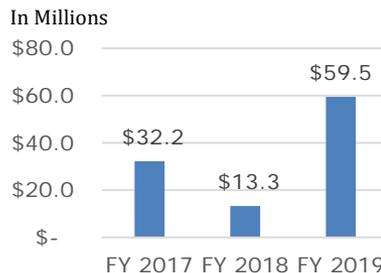
**Annual Growth 37%**  
From 2014 to 2019  
6.7% Projection for 2020



The Adult Detention Center Expansion Began



The chart to the right displays a 3 year history of the County's expenditures for capital assets and infrastructure. The amount spent in 2019 was \$59.5M. This is \$46.2M more than was spent in Fiscal Year 2018. The reason for this increase was timing of projects. Revenue has been collecting in SPLOST 2012 for the construction of a jail addition. During 2019 construction began on the jail and greatly increased the amount of expenses for the year.



### Public Works Projects

#### Completed

- East Cherokee Drive at Gaddis Road roundabout
- East Cherokee Drive at Holly Springs Parkway
- Bells Ferry Road at Ridge Road with traffic signal
- East Cherokee Drive at Tripp Road with traffic signal
- Batesville Road at Lower Birmingham Road
- 33 Miles of Roadways resurfaced

#### Under Construction:

- SR 140 at Lower Burriss Rd/Puckett Creek Rd with traffic signal
- Earney Road Reconstruction – Old Country Place to Capital City Club Dam
- Little Road reconstruction–Hickory Rd to Vaughn Rd
- Copper Creek Drive sidewalks

#### Equipment

- Ford F150 4x4 Extended Cab pickup trucks (6)
- Ford F250 Extended Cab service body truck
- Ford F350 4x4 Crew Cab service body truck
- Kubota SVL95 Track Skidsteer Loader
- Kubota KX080 Mini Excavator
- Massey Ferguson MF5712SL Mowing Tractors (2)

### Parks and Parks Improvements

#### Completed

- Monument at Cherokee Veterans Park
- Playground expansion at Cherokee Veterans Park
- Outdoor fitness court at Hobgood Park
- Pavilion at Cherokee Veterans Park

#### In Design

- LB Ahrens Recreation Center Phase 1

47.2 % Transportation Projects

6.4 % General Projects

25.3 % Municipal Projects

21.1 % Public Safety Projects



Source: Cherokee County, Comprehensive Annual Financial Report for the respective Fiscal Year, Statement of Revenues, Expenditures & Changes in Fund Balance (Governmental Funds).



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Board of Commissioners  
Georgia**

For its Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO



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**Cherokee County  
Board of Commissioners**

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