

Cherokee County

1831
GEORGIA



Comprehensive Annual Financial Report
For Fiscal Year Ended September 30, 2020

CHEROKEE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020

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, 2020**

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 Funds

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	25-50
--	-------

Required Supplementary Information

Schedule of Changes in the County’s Net Pension Liability and Related Ratios	51
Schedule of Pension Contributions	52
Schedule of Changes in the County’s Total OPEB Liability and Related Ratios	53
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) General Fund	54-56
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual Fire District Fund	57
Notes to Required Supplementary Information	58

**CHEROKEE COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Other Supplementary Information

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds	59-61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	62-64
Special Revenue Funds - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	65-77
Capital Projects Funds - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	78, 79
Debt Service Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	80
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds	81-83
Combining Statement of Net Position – Internal Service Funds	84
Combining Statement Revenues, Expenses, and Changes in Net Position – Internal Service Funds	85
Combining Statement of Cash Flows – Internal Service Funds	86
Combining Statements of Changes in Assets and Liabilities – Agency Funds	87, 88
Combining Statements of Assets and Liabilities – Agency Funds	89
<i>Development Authority of Cherokee County</i>	
Balance Sheet	90
Statement of Revenues, Expenditures and Changes in Fund Balances	91

**STATISTICAL SECTION
 (Unaudited)**

Financial Trend Information

Net Position by Component	92
Changes in Net Position	93
Fund Balances, Governmental Funds	94
Change in Fund Balances, Governmental Funds	95
Program Revenues by Function/Program	96

Revenue Capacity Information

Tax Revenues by Source – Governmental Funds	97
Assessed Value and Actual Value of Taxable Property	98
Property Tax Rates – Direct and Overlapping	99
Direct and Overlapping Sales Tax Rates	100
Principal Property Taxpayers	101
Property Tax Levies and Collections	102
Total Property Tax Liens (FIFAs)	103

Debt Capacity Information

Ratios of Outstanding Debt by Type	104
Ratios of General Outstanding Debt by Type	105
Direct General Obligation and Overlapping General Obligation and Guaranteed Revenue Debt	106
Legal Debt Margin Information	107
Pledged Revenue Coverage	108

Demographic and Economic Information

Demographic and Economic Statistics	109
Principal Employers	110

**CHEROKEE COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Operating Information

Full-time Equivalent Employees by Function.....	111
Operating Indicators by Function/Program.....	112
Capital Assets by Function.....	113

March 30, 2021

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 2020 Comprehensive Annual Financial Report, is published to fulfill that requirement for the fiscal year ended September 30, 2020.

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, 2020. 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 been transformed into an apartment community and retail/restaurant district 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 267,435, 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 hottest 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



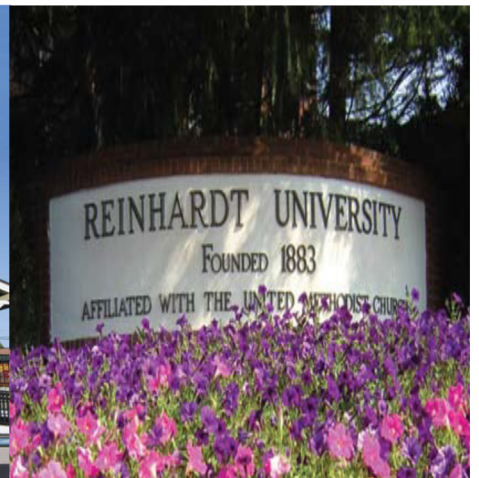
Downtown Woodstock



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 267,435 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.

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 Development Authority of Cherokee County, and the Sequoyah Regional Library System are all included as discretely presented component units in the financial statements.



Harry Johnston, Chairman
Board of Commissioners



Steve West,
Commissioner
District One



Raymond
Gunnin
Commissioner
District Two



Benny Carter,
Commissioner
District Three

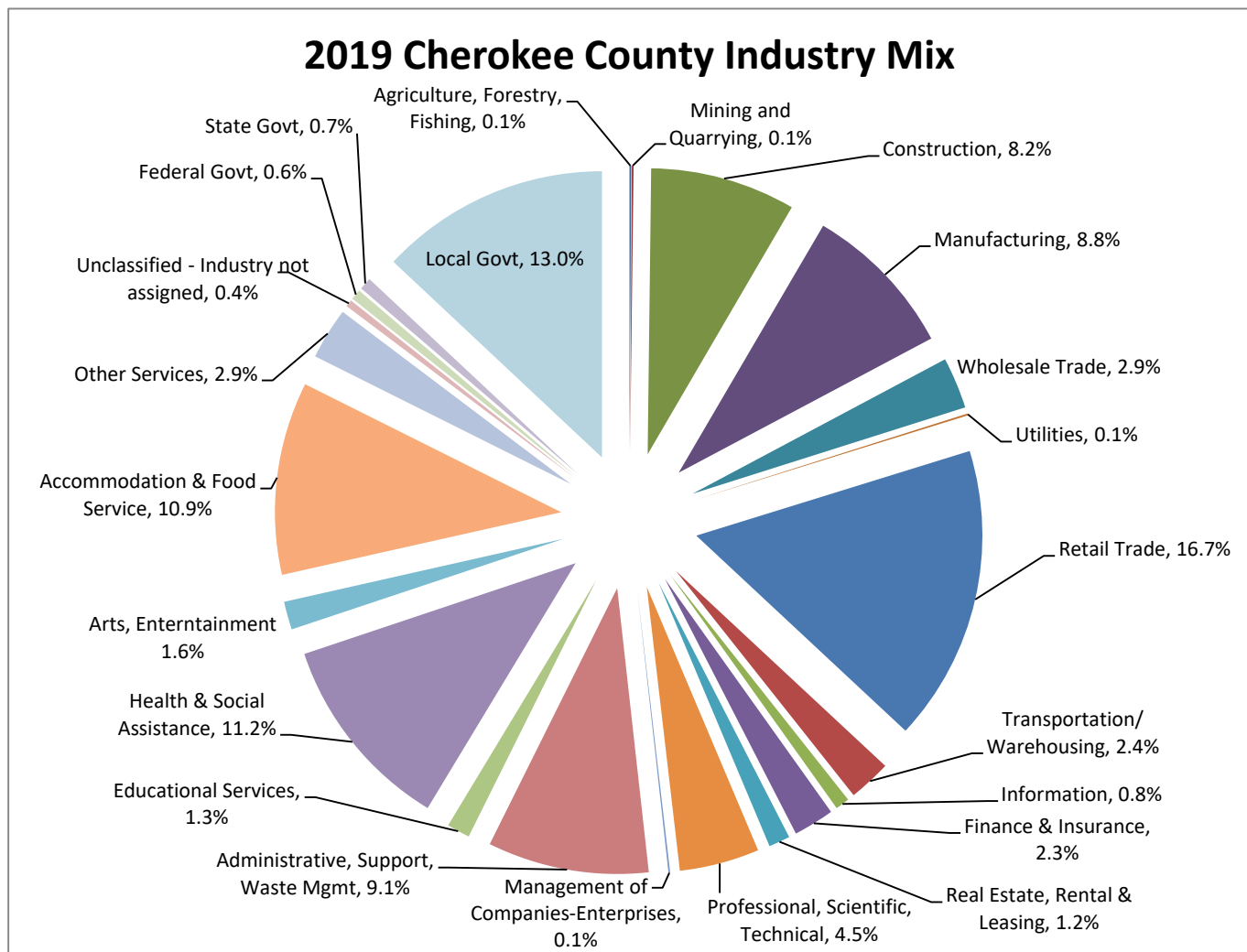


Corey Ragsdale,
Commissioner
District Four

Local Economy

INDUSTRY MIX

Cherokee County's Industry mix is 68.1% Services, 17.2% Goods, 14.3% Government and .4% Unclassified.



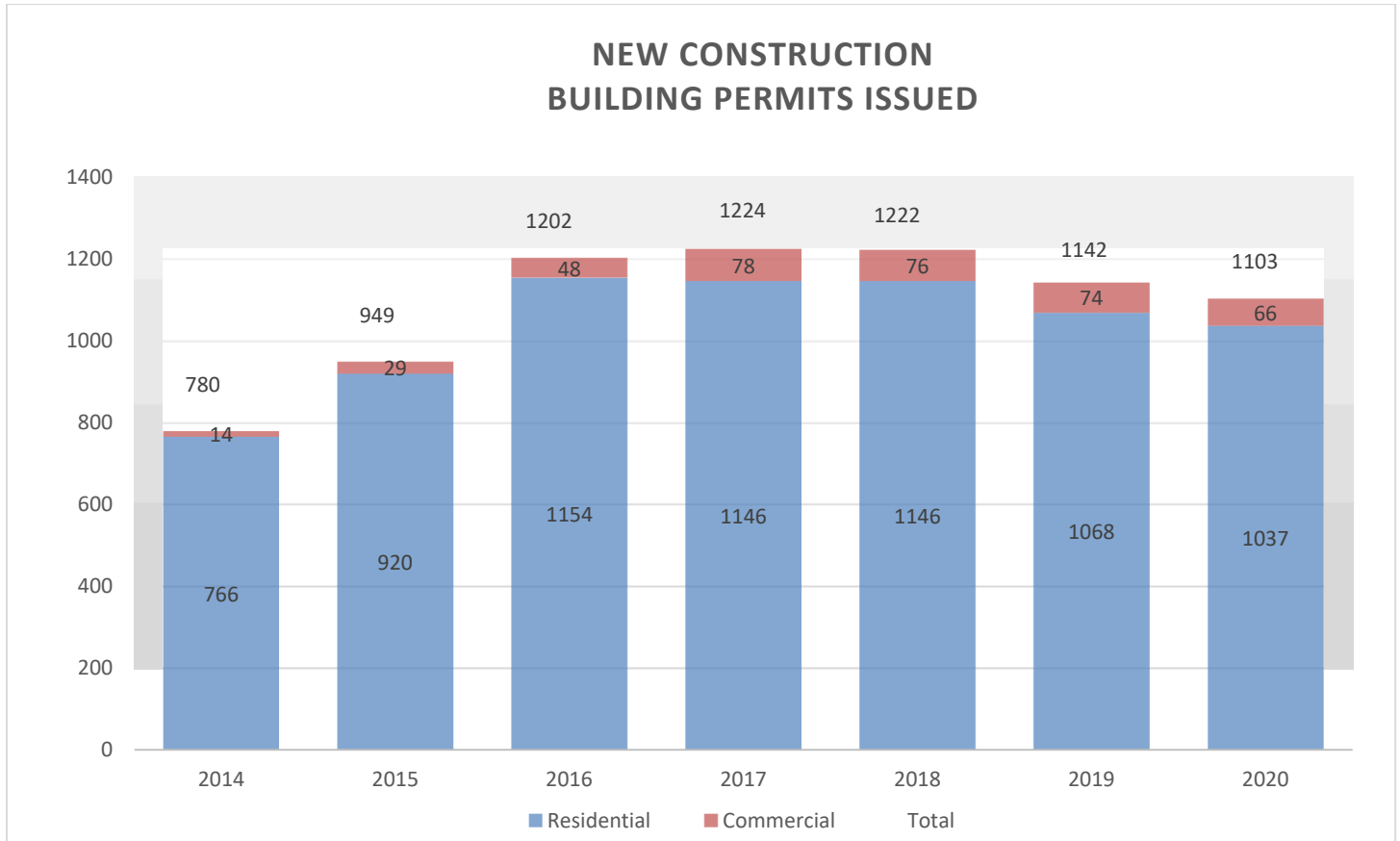
Source: <http://explorer.dol.state.ga.us/mis/Profiles/COUNTIES/Cherokee.pdf>

The industry mix was relatively unchanged between 2014 and 2019. 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 2019, Cherokee's population grew 86.0%, 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 2019, construction has continued to rebound and increased to 8.2%.

NOTE: At printing of this report the 2020 County Industry Mix had not yet been published so 2019 is being used instead. We anticipate only minor changes when 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, 2020, Cherokee County’s jobless rate had increased from 2.4% in the 2019 to 4.1% due to the ongoing effects of the COVID-19 pandemic. Although the county did see an increase, it was still lower than the statewide unemployment rate at 6.2% and the national rate of 7.9%. Cherokee County’s rate is among the lowest in the metro Atlanta region.

RECENT DEVELOPMENT

Cherokee County Film Activity

Cherokee County was home to both TV and movie filming projects over the course of 2020. A total of 53+ works, 22 TV Episodes, 7 ads and promos, and 4 feature films were filmed in Cherokee County, which resulted in a 77% increase in production over the previous year.

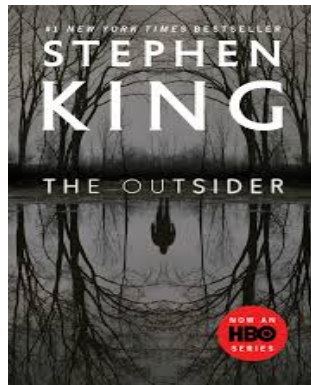


TV episodes included Macgyver (CBS) and Ozark. Ozark is an original Emmy award winning Netflix series, which premiered its third season in 2020. All three seasons have been shot primarily in Cherokee County and include locations in Canton, Woodstock, Holly Springs, and Lake Allatoona.



Charlie's Christmas Wish released in 2020 was filmed entirely in Cherokee County and includes locations in Canton and Ball Ground. This is a heartwarming tale with a focus on Homeless Veterans and a cute dog named Charlie.

Stephen King's book, *The Outsider* was made into a HBO series. Portions of the series were filmed at Canton's Riverview Cemetery and Legion Field.



The Walt Disney Pictures movie *Timmy Failure: Mistakes Were Made* is based on a kids' book series about an 11 year old boy who believes he is the best detective in town. The Burger Bus in Ball Ground was used in the filming.



Lakefront Bargain Hunt is a HGTV reality series. Episodes of this series were filmed in Cherokee County.

New and Expanding Businesses

WellStar Health System



WellStar Health System is continuing to grow and add services to the Cherokee Health Park. This four-story, 112,000 square foot facility, offers integrated care services, including primary care and specialty physicians, urgent care, diagnostic treatment, rehabilitation and follow-up expertise, all in a single location.

Cherokee County Office of Economic Development’s Initiatives:

Be Pro Be Proud – 1st in Georgia to bring hands on mobile workshop to our county to encourage a new generation to become part of the dwindling skilled technical workforce.



Virtual Cherokee Career Expo- COED worked to connect employers to top notch prospects through this virtual interactive event, which featured 20 employers from a diverse array of industries

Northside Hospital Cherokee

In 2017, Northside Hospital relocated to a newly constructed hospital on 300 acres near I-575 and GA Hwy 20. During 2018-2019, the hospital opened a new eighth floor with forty new patient beds, unveiled a new five-story, 125,000 square foot medical office building and completed a two-story expansion of its Women’s Center and neonatal intensive care unit. In 2020, NH-C announced another expansion, adding two additional floors to its main patient tower and expanding the Emergency Department and various other departments within the hospital.



***21% of Cherokee’s Business Growth
Generated by Tech Companies***

With an unquenchable spirit of innovation and plenty of room to grow, Cherokee is an attractive option for technology companies that are seeing to stand out. From ClickFunnels in Downtown Canton to Black Airplane in Woodstock, tech companies of all sizes and stages of development are calling Cherokee County home.



New Corporate Park

In 2020, the Cherokee County Office of Economic Development purchased 50 acres in Canton with plans to develop an additional corporate park. They have successfully developed three previous corporate parks. These parks not only house companies that provide jobs for our residents but generate significant capital investment within the community. Inalfa Roof Systems, one of the county's largest manufacturers is located at the Cherokee 75 corporate park.

The Mill on Etowah continues to expand



In 2020, the Cotton Mill Exchange opened which houses hundreds of vendors providing an retail outlet for local artisans and drawing customers from all over the southeast. Thrive Coworking expanded its space at the mill and a big screen and turf was added to host outdoor events.

COVID- 19 Response

COVID-19 forced everything to shift in 2020. The County had to find new ways to complete tasks, deliver services, and more. Despite the challenges, Cherokee County delivered results:

- \$1M+ CARES Act funds put back in the Community
- 65k Masks distributed to the community
- \$175k to Bethesda Community Clinic for mobile testing unit
- ARC grant used to help Senior Center Clients



The Senior Center found inventive ways to connect with their clients

TAX DIGEST

From 2003 to 2008, our Tax Digest increased each year by double-digit percentages. However, like most counties, Cherokee County was impacted negatively 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 2020 Tax Digest increased 6.63%, of which 3.86% was new growth. We anticipate the 2021 Digest will increase approximately 7.5% in total, including 4.55% new growth.

CURRENT 2020 TAX DIGEST AND HISTORY OF TAX LEVY							
	2014	2015	2016	2017	2018	2019	2020
REAL	7,207,313,837	7,920,292,172	8,654,002,944	9,631,169,530	10,371,129,786	11,367,434,339	12,251,796,287
PERSONAL	353,938,885	380,908,234	416,085,312	440,936,267	482,207,765	546,451,490	565,557,857
MOTOR VEHICLES	530,574,960	393,947,430	300,355,630	221,656,730	168,958,850	138,891,860	116,049,460
MOBILE HOMES	13,488,200	13,357,414	14,007,920	14,032,720	14,796,578	15,198,674	15,181,274
TIMBER	1,527,767	666,872	547,150	794,208	1,366,283	995,672	1,567,828
GROSS M&O DIGEST	8,106,843,649	8,709,172,122	9,384,998,956	10,308,589,455	11,038,459,262	12,068,972,035	12,950,152,706
LESS M&O EXEMPTIONS	608,219,193	749,979,861	898,710,672	1,106,624,687	1,289,377,930	1,582,097,196	1,768,423,675
NET M&O DIGEST	7,498,624,456	7,959,192,261	8,486,288,284	9,201,964,768	9,749,081,332	10,486,874,839	11,181,729,031
NET M&O DIGEST CHANGE	9.57%	6.14%	6.62%	8.43%	5.95%	7.57%	6.63%

Profile of County Population 2020

RACE	Cherokee	Georgia	US
White	77.8%	52.0%	60.1%
Black	7.7%	32.6%	13.4%
Hispanic	11.1%	9.9%	18.5%
Asian	2.1%	4.4%	5.9%
Other	1.4%	1.1%	2.0%
Total	100.0%	100.0%	100.0%

EDUCATION (age25+)	Cherokee	Georgia	US
High School Graduates	92.1%	87.1%	88.0%
Bachelor's Degree or Higher	38.2%	31.3%	32.1%

GROWTH	Cherokee	Georgia	US
Population % Change 2010 - 2019	20.7%	9.6%	6.3%

INCOME	Cherokee	Georgia	US
Median Household Income	\$82,740	\$58,700	\$62,843

HOMEOWNERSHIP	Cherokee	Georgia	US
Homeownership Rate	76.8%	63.3%	64.0%

POVERTY	Cherokee	Georgia	US
Persons Below Poverty Level	6.5%	13.3%	10.5%

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

A strong economy has kept Cherokee County as one of Georgia’s fastest growing counties with a 20.7% increase in population from 2010-2019 compared to 9.6% for the state of Georgia and 6.3% for the nation during 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 2019-2023. 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 2019 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 what 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.

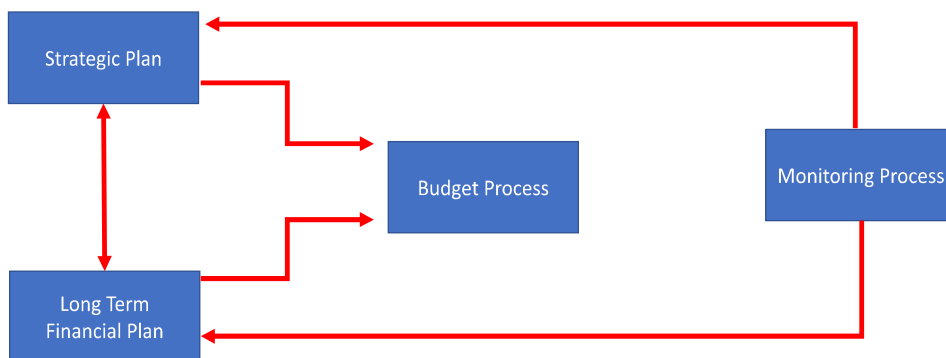
The chart below illustrates how financial planning and strategic planning work together to establish long-term, strategic direction, which then affects the budget process. The budget is used to operationalize strategies called for by the financial plan and strategic plan.

In conjunction with developing the Five-Year LTFP, Cherokee County has developed a five-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 five-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.

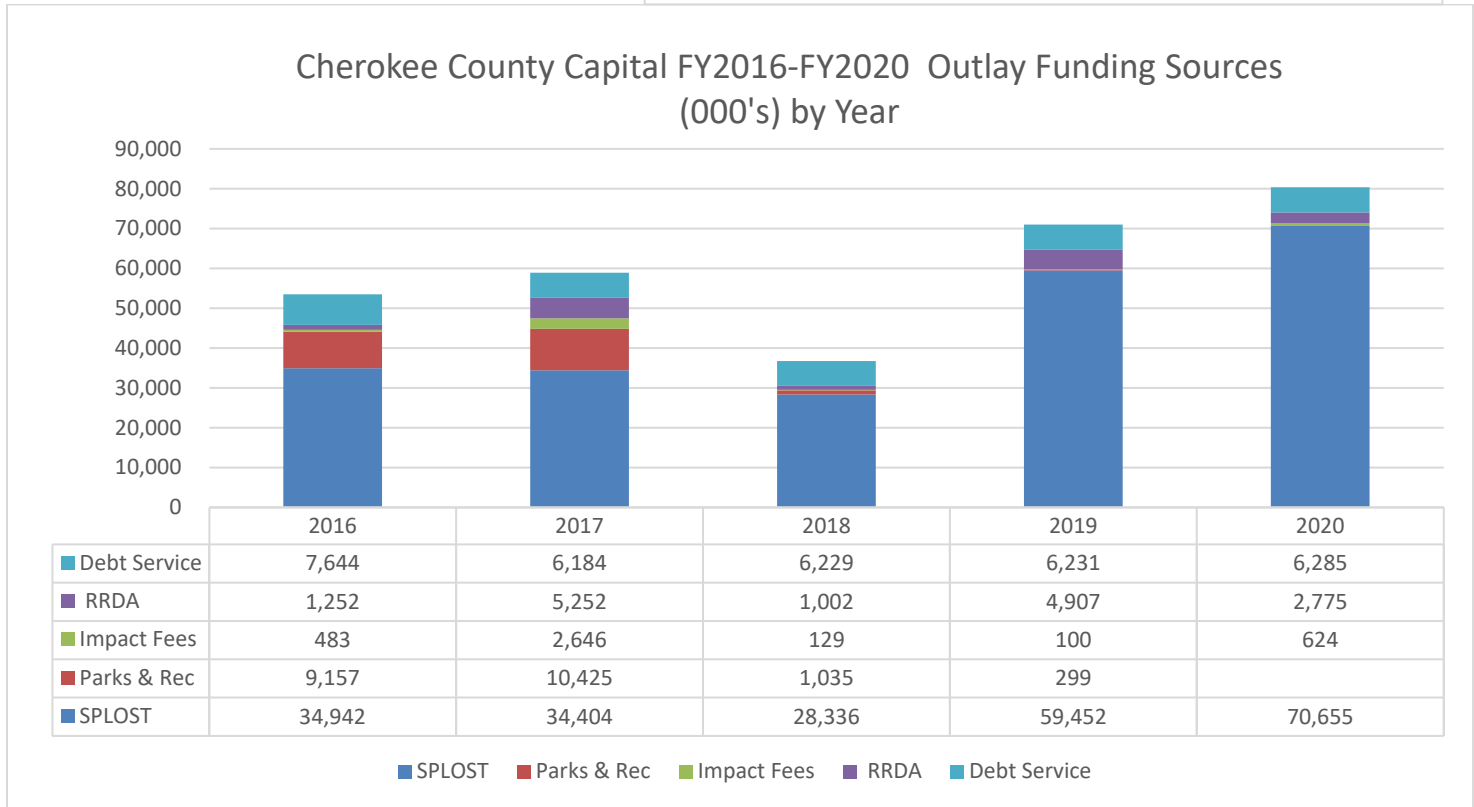
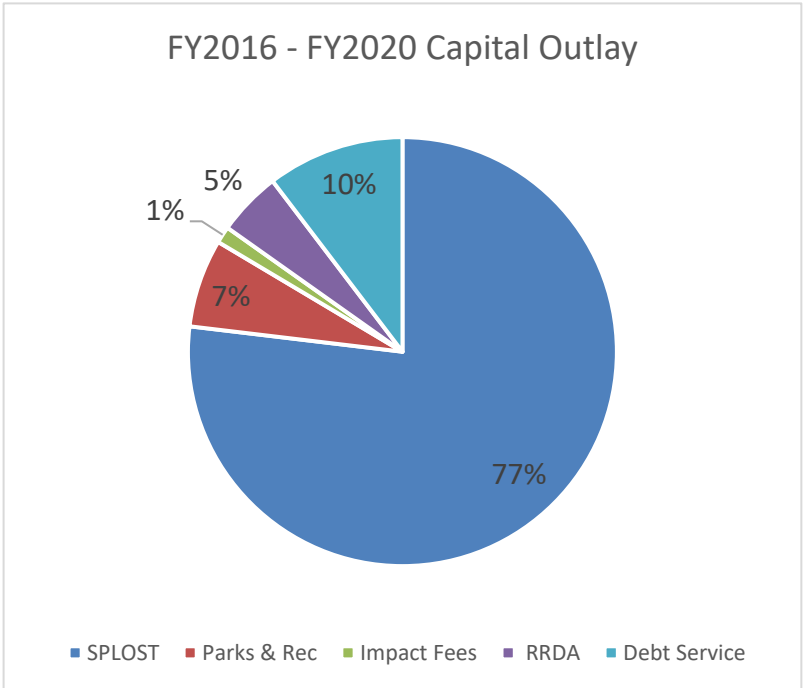
The County's philosophy concerning the use of the CIP is that it should be considered as a financial planning tool that lists the County's capital improvement projects, places projects in a priority order, and schedules the projects for funding and implementation.

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 FY2016-FY2020. SPLOST continues to be the leading source of funding for the Capital Projects in Cherokee County. For the Period FY2016-FY2020, SPLOST accounted for 77% of the funds used to fund Capital projects followed by Debt Service at 13%. Over the five-year period from FY2016-FY2020, Cherokee County has invested a total of \$300,448,000 in Capital in order to improve the infrastructure and provide top quality services to the citizens of Cherokee County.



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 2020 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 Program Award for the 8th consecutive year in 2020 for the fiscal year ended September 30, 2019. The 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 2020 for the fiscal year ended September 30, 2019 for the fourth 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 fourth time in 2020 for the fiscal year ended September 30, 2019. The PAFR is awarded to local governments that extract information from their comprehensive annual financial report to produce a high quality PAFR designed to be readily accessible and easily understandable to the general public.

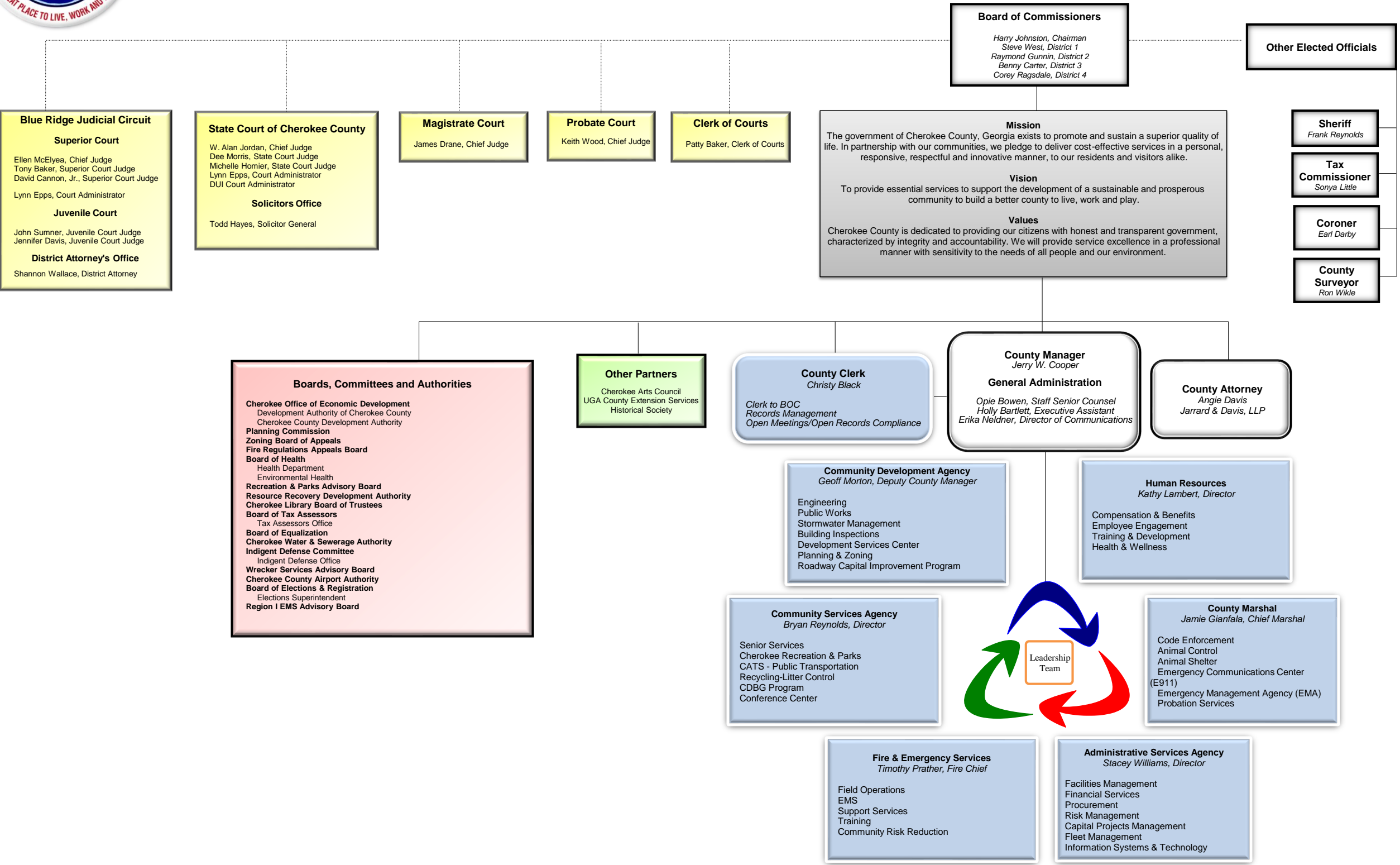
Respectfully submitted,

Jimmy Marquis
CFO



Cherokee County Government Organizational Chart

Citizens of Cherokee County



CHEROKEE COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2020

Commission Chairman and District Commissioners

Harry Johnston.
Commission Chairman

Steve West
Raymond Gunnin
Benny Carter
Corey Ragsdale

District One
District Two
District Three
District Four

Constitutional Officers

Todd Hayes
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
Keith Wood
Probate Court Judge
Patty Baker
Clerk of Court

Ellen McElyea
Chief Superior Court Judge
David Cannon, Jr.
Superior Court Judge
Tony Baker
Superior Court Judge
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
Kathy Lambert
Human Resources Director
Christy Black
County Clerk
Paul Laney
*Building Inspections and Development
Services Director*
Tim Prather
Fire- Emergency Services Director

Stacey D. Williams
Administrative Services Director
Jimmy Marquis
Finance Director
Brett Wehs
GIS/Mapping Manager
Tim Morris
Senior Services Director
Stephen Dobson
Public Works Director
Matt Williams
Property Management Director
Tony Bryant
Fleet Maintenance Director

Geoff Morton
Community Development Director
Brenda Flowers
CIO / IT Services Director
Kim Stancil
Elections Director
Jamie Gianfala
County Marshal
Jeff F. Watkins
Planning & Zoning Director
Bryan Reynolds
Community Services Director
Jay Worley
Recreation and Parks Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Cherokee County Board of Commissioners
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

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, 2020, and the related notes to the basic 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, 2020, 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.

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 51-58 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 30, 2021 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.

Nichols, Cauley + Associates, LLC

Kennesaw, Georgia
March 30, 2021

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, 2020. 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 \$1,254,851,856 compared to liabilities and deferred inflows of \$303,521,626. Assets and deferred outflows were 4.1 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 slightly, from \$955,477,005 to \$951,330,230.
- ❖ **Fund Balances:** As of September 30, 2020, Cherokee County's governmental funds reported combined ending fund balances of \$115,207,055 compared to \$120,689,390 reported in 2019. The net decrease of \$5,482,335 was due to the combination of the timing of various SPLOST projects, (i.e. near completion of the jail), increase in property taxes, and new CARES ACT funds.
 - Since we follow a pay-as-you-go philosophy in our SPLOST Funds, we have been collecting SPLOST revenue for the construction of an addition to the jail. Revenue has been collecting in the 2012 SPLOST in anticipation of this project. Construction of the jail began in 2019. This usage of reserve funds resulted in a SPLOST fund balance decrease of \$18,401,058.
 - Cherokee County's property taxes were \$104,803,970 in 2020 as compared to \$95,963,993 in 2019. This is an increase of \$8,839,977 or 9.1% over 2019.
 - Intergovernmental revenue increased in 2020 by \$10,433,540, which was due to CARES ACT revenue received in the General Fund and Fire Fund. Fines and Forfeitures declined by \$528,549 from 2019 to 2020 due to the effects of the pandemic.
- ❖ **Debt:** Bonds Payable decreased from \$63,070,000 to \$55,725,000. This represents a decrease of \$7,345,000 (11.6%). 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 \$4,835,000 and the RRDA Bonds principal payment of \$2,510,000. The yearly RRDA bond payment was \$485,000; however, Cherokee County chose to apply an additional \$2,000,000, which greatly lowered the principal balance and thus reducing the amount of interest to be paid over the life of the bond.

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 25 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 22 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, by either 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 \$951,330,230 at the close of the most recent fiscal year. Said another way, Cherokee County assets and deferred outflows are greater than four times its liabilities and deferred inflows.

Summary of Assets, Liabilities, and Net Position

	<u>Governmental Fund Activities</u>		<u>Business Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets:						
Current and Other Assets	\$ 227,815,379	\$ 221,651,623	\$ 2,859,428	\$ 3,083,522	\$ 230,674,807	\$ 224,735,145
Capital Assets	964,879,405	958,259,936	3,523,689	2,563,684	968,403,094	960,823,620
Total Assets	1,192,694,784	1,179,911,559	6,383,117	5,647,206	1,199,077,901	1,185,558,765
Deferred Outflows	52,248,329	54,524,644	3,525,626	3,643,485	55,773,955	58,168,129
Liabilities:						
Current Liabilities	33,611,965	25,805,802	637,392	551,833	34,249,357	26,357,635
Long Term Liabilities	159,640,949	157,625,481	6,782,531	6,362,791	166,423,480	163,988,272
Total Liabilities & Deferred Inflows	193,252,914	183,431,283	7,419,923	6,914,624	200,672,837	190,345,907
Deferred Inflows	102,044,358	97,094,027	804,431	809,955	102,848,789	97,903,982
Net Position:						
Net Investment in capital assets	897,381,194	890,109,271	3,523,689	2,563,684	900,904,883	892,672,955
Restricted	79,175,902	84,717,178	-	-	79,175,902	84,717,178
Unrestricted	(26,911,255)	(20,915,556)	(1,839,300)	(997,572)	(28,750,555)	(21,913,128)
Total Net Position	\$ 949,645,841	\$ 953,910,893	\$ 1,684,389	\$ 1,566,112	\$ 951,330,230	\$ 955,477,005

The largest portion of Cherokee County's net position is \$900,904,883 or 94.7% in 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 2019 revenue from governmental activities increased \$15,642,374 or 7.0%. The following areas were key drivers for the increase.

- Grant revenue increased \$9.7M in Operating Grants, which was primarily due to the receipt of CARES ACT funds for COVID 19. The \$6.8M decrease in Capital Grants is due to less donated roads to the County in FY2020 compared to FY2019.
- Property taxes increased \$9.2M in 2020, driven primarily by growth. The strengthening of the economy and the increase in business and commercial outlets in the County enabled Sales taxes to increase \$4.3M.
- There were also an increase in Insurance Premium Tax of \$.7M while interest revenue decreased \$.7M due to lower interest rates.

Summary of Activities

	Governmental Fund Activities		Business Activities		Total	
	2020	2019	2020	2019	2020	2019
Program Revenue:						
Charges for Services	\$ 29,306,533	\$ 29,383,742	\$ 5,528,684	\$ 5,504,973	\$ 34,835,217	\$ 34,888,715
Operating Grants	21,390,360	11,646,950	134,153	63,000	21,524,513	11,709,950
Capital Grants:	16,920,257	23,761,335	-	18,600	16,920,257	23,779,935
General Revenue:						
Property Taxes	105,048,375	95,779,959			105,048,375	95,779,959
Alcoholic Beverage Taxes	1,172,092	1,124,537			1,172,092	1,124,537
Franchise Taxes	2,649,868	2,616,478			2,649,868	2,616,478
Sales Taxes	47,920,585	43,574,063			47,920,585	43,574,063
Insurance Premium Taxes	11,380,706	10,720,235			11,380,706	10,720,235
Other Taxes	224,791	338,415			224,791	338,415
Interest	1,026,720	1,722,368			1,026,720	1,722,368
Other	1,208,500	1,938,331			1,208,500	1,938,331
TOTAL REVENUES	238,248,787	222,606,413	5,662,837	5,586,573	243,911,624	228,192,986
YOY Change \$	\$ 15,642,374		\$ 76,264		\$ 15,718,638	
YOY Change %	7.0%		1.4%		6.9%	
Program Expenses:						
General Government	17,857,668	16,659,738			17,857,668	16,659,738
Judicial	20,658,488	20,674,564			20,658,488	20,674,564
Public Safety	100,192,828	89,156,566			100,192,828	89,156,566
Public Works	73,366,584	70,527,655			73,366,584	70,527,655
Health and Welfare	3,761,410	3,133,627			3,761,410	3,133,627
Culture and Recreation	11,351,369	11,579,026			11,351,369	11,579,026
Housing and Development	9,026,144	6,235,888			9,026,144	6,235,888
Interest	1,568,839	1,628,200			1,568,839	1,628,200
Emergency Medical Services			9,842,932	9,006,677	9,842,932	9,006,677
Conference Center			432,137	437,894	432,137	437,894
TOTAL EXPENSES	237,783,330	219,595,264	10,275,069	9,444,571	248,058,399	229,039,835
Change in Net Position Before Transfers	465,457	3,011,149	(4,612,232)	(3,857,998)	(4,146,775)	(846,849)
Transfers	(4,730,509)	(2,970,473)	4,730,509	2,970,473	-	-
Changes in Net Position	(4,265,052)	40,676	118,277	(887,525)	(4,146,775)	(846,849)
Beginning Net Position	953,910,893	953,870,217	1,566,112	2,710,048	955,477,005	956,580,265
Restatement				(256,411)	-	(256,411)
Ending Net Position	\$ 949,645,841	\$ 953,910,893	\$ 1,684,389	\$ 1,566,112	\$ 951,330,230	\$ 955,477,005

Governmental activities expenses increased \$18.1M or 8.3% when compared to 2019. Significant changes include General Government increased \$1.2M, Public Safety increased \$11M, Public Works increased \$2.8M and Housing and Development increased \$2.8M.

- General Government increased \$1.2M. Non Public Safety employees received a 3% COLA and employee benefit costs were higher.
- Public Safety expenses increased \$11M over 2019. All Public Safety employees received the 3% COLA and employee benefit costs were higher. New public safety positions included 11 in the Sheriff's department and 9 in the Fire department. Public Safety employees received hazard payments for COVID-19 in 2020.
- Public Works increased expenses \$2.8M. Personnel costs rose due to the 3% COLA and higher benefit costs. The estimate for post closure care increased \$4.5M; offset by decreased cost because of lower operating costs that were driven by the suspension of certain road projects due to work force issues caused by COVID-19.
- Housing and Development increased \$2.8M, which was driven by a \$2.9M payment to the Economic Development Authority for the purchase of land.

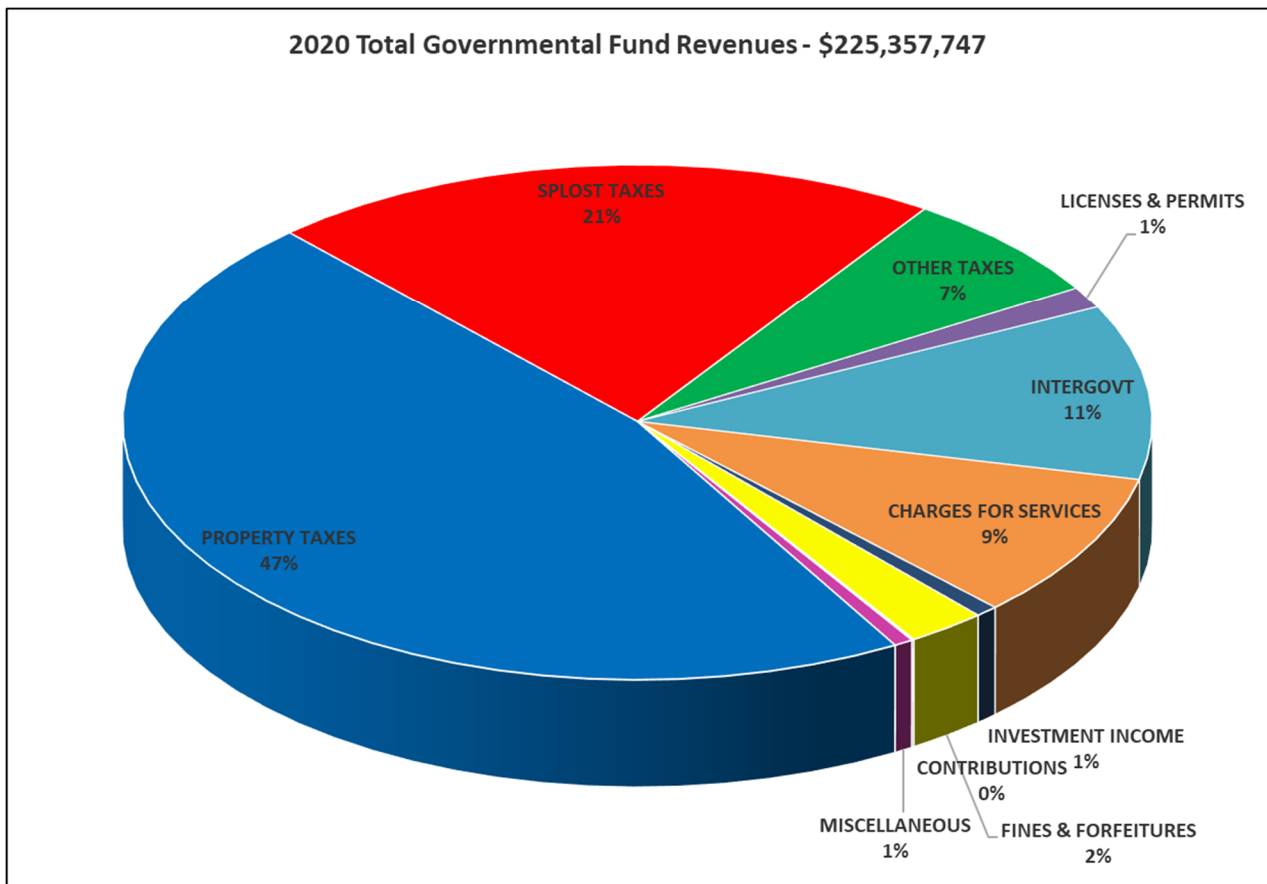
FUND FINANCIAL STATEMENT ANALYSIS

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

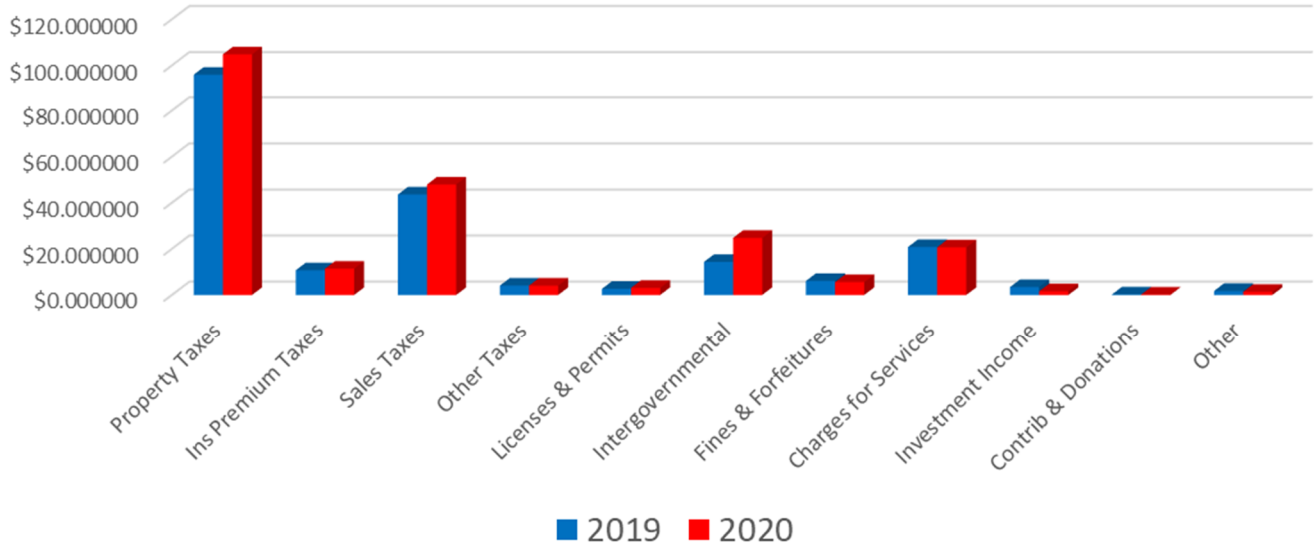
Revenues for Cherokee County’s governmental funds in 2020 totaled \$225,357,747.

The majority of funding is from tax revenue, which totals \$168,152,012. Property taxes account for \$104,803,970, sales taxes \$47,920,585, insurance premium taxes of \$11,380,706, alcohol taxes of \$1,172,092 and other miscellaneous taxes of \$2,874,659.



Total revenues increased \$21,700,570 from \$203,657,177 in 2019 to \$225,357,747 in 2020. There were several factors contributing to the increase:

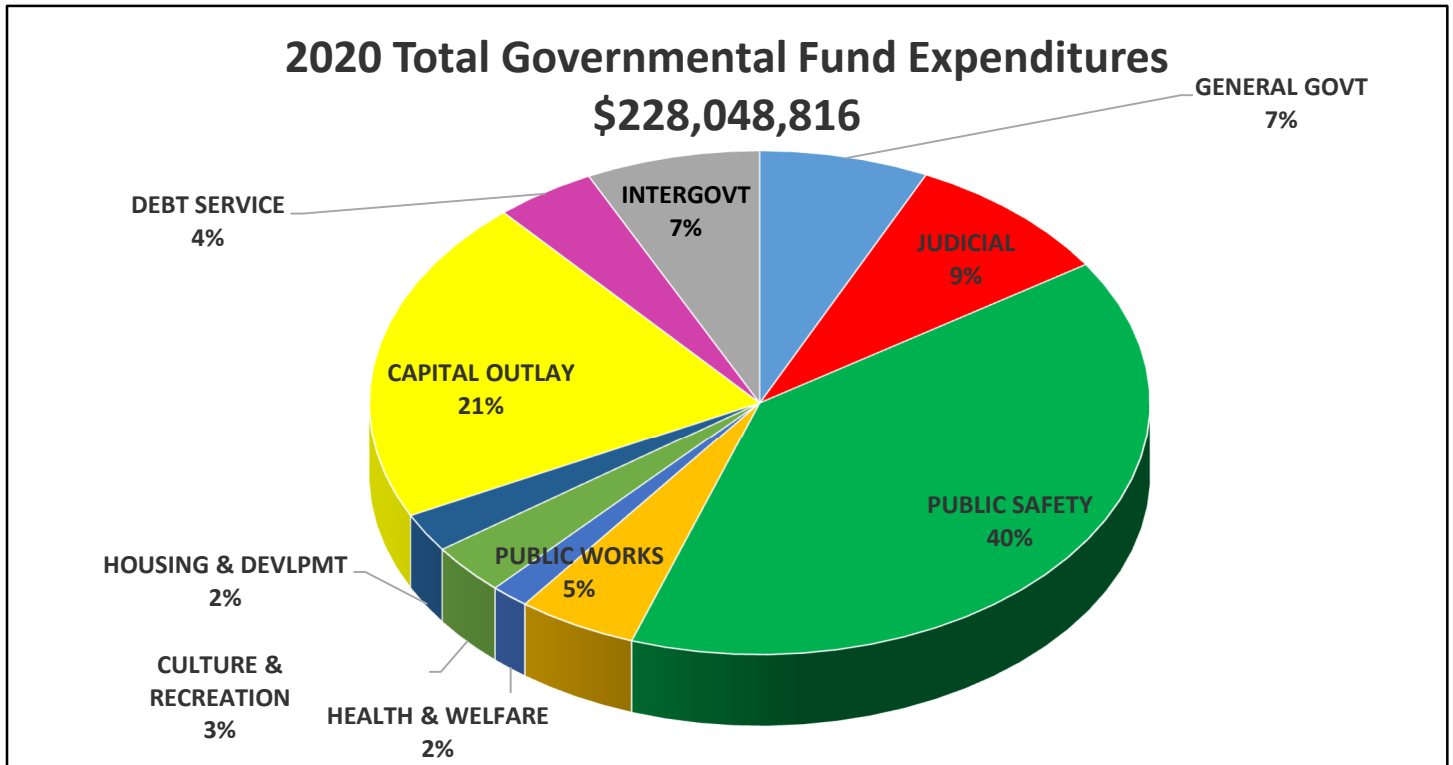
Total Governmental Revenues 2019 (\$203.7M) v 2020 (\$225.4M)



- The increase in the property taxes was due to the 2020 Tax Digest increasing 6.63% of which 3.86% was new growth.
- Sales taxes increased \$4,346,522 from \$43,574,063 in 2019 to \$47,920,585 in 2020. 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 \$14,317,096 in 2019 to \$24,750,636 in 2020, an increase of \$10,433,540. The largest portion of the increase is attributable to the CARES ACT funding of \$9,660,937.
- The Insurance Premium tax increased from \$10,720,235 in 2019 to \$11,380,706 in 2020. This is a tax collected by the state on insurance policies.
- Fines & Forfeitures decreased from \$6,121,341 to 2019 to \$5,592,792 in 2020. The decrease was largely driven by a reduction of fines from the Judicial System due to COVID 19.

2. Expenditures

Governmental expenditures totaled \$228,048,816. Of this total, 40.0% was required to support public safety.



Governmental fund expenditures increased \$19,698,817 from 2019 to 2020, which was a 9.5% increase.

- General Government expenditures increased \$881,825 from 2019 to 2020. This increase covered the 3% COLA that all employees received in 2020.
- Judicial expenditures increased \$113,153 from 2019 to 2020. Salaries and benefits increased but were offset by lower costs for jury pay, training, and travel due to restrictions during the pandemic.
- Public Safety expenditures increased \$9,096,302 from 2019 to 2020. Salaries and benefits accounted for \$7,965,971 of the increase, which included hazard pay for COVID-19.
- Public Works expenditures decreased \$926,486 from 2019 to 2020. The decrease was due to lower material costs that were the result of postponed road projects due to COVID-19.
- Capital Outlay expenditures increased by \$8,651,843, which were primarily for the Adult Detention Center expansion project.
- Debt Service decreased \$1,973,538 as an additional \$2M payment on the RRDA principal in 2020 compared to a \$4M payment made in 2019.
- Intergovernmental Costs increased \$3,719,124 from 2019 to 2020. \$1.3M was increased SPLOST payments to the cities due to increased SPLOST revenue and \$2.5M was a payment to the Development Authority.

3. Fund Balance

The General Fund balance increased by \$9,116,709 and the SPLOST Fund balance decreased by \$18,401,058, the total of Cherokee County's governmental funds reported combined ending fund balances of \$115,207,055, a net decrease of \$5,482,335 from the prior year. The General Fund had increases in most revenue areas, but especially in taxes. Taxes in the General Fund increased \$6,890,904. This large increase more than offset the increase in 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 \$45,360,299 of which \$45,333,674, or 99.9%, 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 45.0% of General Fund expenditures and transfers to other funds.

At year-end, the total fund balance of the SPLOST Funds had decreased \$18,401,058, from \$56,958,160 to \$38,557,102. This fund collects sales tax revenue each month. If the funds are not spent in the current year, the balance accumulates and is carried forward so the projects can be completed in future years. After six years of accumulating revenue for the construction of a new addition to the jail, construction began in 2019. Payment of this construction greatly lowered the fund balance.

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 \$10,005,241, which was \$3,380,237 higher than the 2019 balance.

General Fund Budgetary Highlights

The original budget for the General Fund expenditures was \$92,827,685 but was amended by \$2,209,000 to \$95,036,685. Below are the budget amendments that account for this increase.

1. An additional \$1,031,664 for Inmate Medical Costs
2. An additional \$94,759 for the Blalock Landfill agreement
3. An additional \$349,607 for the Sheriff's department
4. An additional \$127,157 for additional positions and supplies for the Clerk of Courts
5. An additional \$605,813 for various departments

CAPITAL ASSET AND DEBT ANALYSIS

1. Capital Assets

As of September 30, 2020, Cherokee County's net investment in capital assets for its governmental activities totaled \$964,879,405. 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 increased \$6,619,469 or .67%, as compared to FY2019.

- New Sheriff and Marshal vehicles
- Fire Engines and ambulances
- 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 5 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 \$55,725,000.

- \$3,830,000 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 mills. 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 2020 the County paid \$2M 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.
- \$52,365,009 of debt is supported by a separate bond millage rate of 0.461 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 \$1,225,179,629; with outstanding debt of \$52,365,009, we are significantly under the legal limit (less than 1% rather than 10%).

Cherokee County's long term bonded debt decreased \$7,345,000. \$4,835,000 was paid from the yearly principal payments for the Parks Bonds and \$510,000 for the RRDA bond. The County chose to pay an additional \$2,000,000 in 2020 toward the principal of the RRDA bond, for a total of \$2,510,000. 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 6 of this report.

STATUS OF CHEROKEE COUNTY'S ECONOMY

- As of September 30, 2020, the unemployment rate for Cherokee County was 4.1%, which was lower than the state rate of 6.2%. Cherokee County was 1.7% higher than a year ago which can be attributed to the pandemic.
- 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 almost 1,103 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 \$4,346,522 or 10.0% over 2019. 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, 2020

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority of Cherokee County	Sequoyah Regional Library System
Assets						
Cash and cash equivalents	\$ 42,172,522	\$ 2,197,240	\$ 44,369,762	\$ 4,443,668	\$ 5,333,195	\$ 1,478,927
Investments	-	-	-	141,835	-	-
Property taxes receivable	85,122,010	-	85,122,010	-	-	-
Accounts receivable	14,018,167	662,043	14,680,210	506,738	37,372	89,755
Due from other governments	6,302,388	-	6,302,388	2,335,855	122,780	51,308
Inventory	634,040	-	634,040	-	-	-
Prepaid items	70,418	145	70,563	121,627	15,151	40,651
Restricted cash and cash equivalents	79,495,834	-	79,495,834	-	-	389,322
Restricted investments	-	-	-	-	-	461,093
Other assets	-	-	-	7,830	-	-
Net OPEB asset	-	-	-	764,410	-	-
Capital assets, non-depreciable	370,293,246	-	370,293,246	-	5,963,621	1,179,426
Capital assets, depreciable (net of accumulated depreciation)	594,586,159	3,523,689	598,109,848	450,081	490,975	4,864,511
Total assets	1,192,694,784	6,383,117	1,199,077,901	8,772,044	11,963,094	8,554,993
Deferred Outflows of Resources						
Deferred outflows relating to pension	44,003,158	2,977,484	46,980,642	2,426,338	-	950,004
Deferred outflows relating to OPEB	8,245,171	548,142	8,793,313	1,413,134	-	320,746
Total Deferred Outflows of Resources	52,248,329	3,525,626	55,773,955	3,839,472	-	1,270,750
Liabilities						
Accounts payable	14,249,676	140,071	14,389,747	248,028	417	43,392
Accrued liabilities	6,991,683	234,327	7,226,010	-	1,960	61,168
Due to other governments	-	-	-	1,560,536	-	-
Unearned revenue	702,356	-	702,356	-	-	-
Noncurrent liabilities						
Due within one year						
Long-term obligations	11,668,250	262,994	11,931,244	326,720	-	13,442
Due in more than one year						
Long-term obligations	68,304,643	613,654	68,918,297	326,720	-	53,767
Net pension liability	81,701,883	5,528,377	87,230,260	9,572,562	-	3,341,090
Net OPEB liability	-	-	-	2,637,302	-	2,612,003
Total OPEB liability	9,634,423	640,500	10,274,923	-	-	-
Total Liabilities	193,252,914	7,419,923	200,672,837	14,671,868	2,377	6,124,862
Deferred Inflows of Resources						
Deferred revenue-property taxes	90,026,693	-	90,026,693	-	-	-
Deferred inflows relating to pension	4,635,217	313,643	4,948,860	297,973	-	118,270
Deferred inflows relating to OPEB	7,382,448	490,788	7,873,236	3,482,720	-	929,502
Total Deferred Inflows of Resources	102,044,358	804,431	102,848,789	3,780,693	-	1,047,772
Net Position						
Net investment in capital assets	897,381,194	3,523,689	900,904,883	450,081	6,454,596	6,043,937
Restricted for:						
Law library operations	494,949	-	494,949	-	-	14,959
Senior services	307,816	-	307,816	-	-	-
Public safety	449,622	-	449,622	-	-	-
Court services	1,445,720	-	1,445,720	-	-	-
SPLOST projects	48,718,938	-	48,718,938	-	-	216,038
Grant activities	475,299	-	475,299	-	-	-
Jail operation and construction	697,070	-	697,070	-	-	-
E911 operations	2,966,092	-	2,966,092	-	-	-
Health and welfare	647,769	-	647,769	-	-	-
Debt service	817,267	-	817,267	-	-	-
Impact fees	12,150,119	-	12,150,119	-	-	-
Fire protection services	10,005,241	-	10,005,241	-	-	-
Public health programs	-	-	-	2,808,953	-	-
Unrestricted (deficit)	(26,911,255)	(1,839,300)	(28,750,555)	(9,100,079)	5,506,121	(3,621,825)
Total Net Position	\$ 949,645,841	\$ 1,684,389	\$ 951,330,230	\$ (5,841,045)	\$ 11,960,717	\$ 2,653,109

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Activities
For the Year Ended September 30, 2020

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	Development Authority of Cherokee County	Sequoyah Regional Library System		
Primary Government												
Governmental Activities												
General government	\$ 17,857,668	\$ 8,814,094	\$ 254,720	\$ -	\$ (8,788,854)	\$ -	\$ (8,788,854)					
Judicial	20,658,488	6,111,741	1,757,613	-	(12,789,134)	-	(12,789,134)					
Public safety	100,192,828	6,782,372	16,735,689	-	(76,674,767)	-	(76,674,767)					
Public works	73,366,584	5,290,454	-	16,920,257	(51,155,873)	-	(51,155,873)					
Health and welfare	3,761,410	279,989	1,272,517	-	(2,208,904)	-	(2,208,904)					
Culture and recreation	11,351,369	2,027,883	46,426	-	(9,277,060)	-	(9,277,060)					
Housing and development	9,026,144	-	1,323,395	-	(7,702,749)	-	(7,702,749)					
Interest and fiscal charges	1,568,839	-	-	-	(1,568,839)	-	(1,568,839)					
Total Governmental Activities	237,783,330	29,306,533	21,390,360	16,920,257	(170,166,180)	-	(170,166,180)					
Business-type Activities												
Emergency medical services	9,842,932	5,318,581	134,153	-	-	(4,390,198)	(4,390,198)					
Conference center	432,137	210,103	-	-	-	(222,034)	(222,034)					
Total Business-type Activities	10,275,069	5,528,684	134,153	-	-	(4,612,232)	(4,612,232)					
Total Primary Government	\$ 248,058,399	\$ 34,835,217	\$ 21,524,513	\$ 16,920,257	(170,166,180)	(4,612,232)	(174,778,412)					
Component Unit												
Department of Public Health	\$ 18,410,357	\$ 3,751,464	\$ 15,694,904	\$ -				\$ 1,036,011	\$ -	\$ -		
Development Authority of Cherokee County	882,045	182,791	741,967	2,654,906				-	2,697,619	-		
Sequoyah Regional Library System	5,063,734	247,821	538,521	850,050				-	-	(3,427,342)		
Total Component Units	\$ 24,356,136	\$ 4,182,076	\$ 16,975,392	\$ 3,504,956				1,036,011	2,697,619	(3,427,342)		
General Revenues												
Property taxes					105,048,375	-	105,048,375	-	-	-		
Alcoholic beverage taxes					1,172,092	-	1,172,092	-	-	-		
Franchise taxes					2,649,868	-	2,649,868	-	-	-		
Sales taxes					47,920,585	-	47,920,585	-	-	-		
Insurance premium taxes					11,380,706	-	11,380,706	-	-	-		
Other taxes					224,791	-	224,791	-	-	-		
Miscellaneous					1,208,500	-	1,208,500	-	-	-	3,101,244	
Unrestricted investment earnings					1,026,720	-	1,026,720	11,069	7,991	29,813		
Gain on sale of capital assets					-	-	-	-	1,123,506	-		
Transfers					(4,730,509)	4,730,509	-	-	-	-		
Total General Revenues					165,901,128	4,730,509	170,631,637	11,069	1,131,497	3,131,057		
Change in Net Position					(4,265,052)	118,277	(4,146,775)	1,047,080	3,829,116	(296,285)		
Net Position Beginning of Year					953,910,893	1,566,112	955,477,005	(6,888,125)	8,131,601	2,949,394		
Net Position End of Year					\$ 949,645,841	\$ 1,684,389	\$ 951,330,230	\$ (5,841,045)	\$ 11,960,717	\$ 2,653,109		

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Balance Sheet
Governmental Funds
September 30, 2020

	General Fund	Fire District Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 41,261,132	\$ 12,421,384	\$ 46,830,462	\$ 21,155,378	\$ 121,668,356
Property taxes receivable, net	54,130,126	25,596,182	-	5,395,702	85,122,010
Accounts receivable, net	12,912,867	525	-	237,304	13,150,696
Due from other governments	9,841	36,265	4,043,700	2,212,582	6,302,388
Due from other funds	542,420	-	-	-	542,420
Inventory	-	401,510	-	-	401,510
Prepaid items	26,625	39,934	-	3,786	70,345
Total assets	<u>\$ 108,883,011</u>	<u>\$ 38,495,800</u>	<u>\$ 50,874,162</u>	<u>\$ 29,004,752</u>	<u>\$ 227,257,725</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 925,857	\$ 455,274	\$ 11,509,554	\$ 907,196	\$ 13,797,881
Accrued liabilities	5,016,630	835,845	105,150	951,004	6,908,629
Due to other funds	-	-	-	146,537	146,537
Unearned revenue	-	-	702,356	-	702,356
Total liabilities	<u>5,942,487</u>	<u>1,291,119</u>	<u>12,317,060</u>	<u>2,004,737</u>	<u>21,555,403</u>
Deferred Inflows of Resources					
Unavailable revenue-property taxes	57,580,225	27,199,440	-	5,715,602	90,495,267
Total deferred inflows of resources	<u>57,580,225</u>	<u>27,199,440</u>	<u>-</u>	<u>5,715,602</u>	<u>90,495,267</u>
Fund Balances					
Nonspendable:					
Prepaid items	26,625	39,934	-	3,786	70,345
Inventory	-	401,510	-	-	401,510
Restricted:					
Law library operations	-	-	-	494,949	494,949
Senior services	-	-	-	307,428	307,428
Public safety	-	-	-	449,622	449,622
Court services	-	-	-	1,445,526	1,445,526
SPLOST projects	-	-	38,557,102	-	38,557,102
Grant activities	-	-	-	475,154	475,154
Jail operation and construction	-	-	-	697,070	697,070
E911 operations	-	-	-	2,965,608	2,965,608
Health and welfare	-	-	-	647,624	647,624
Debt service	-	-	-	817,267	817,267
Impact fees	-	-	-	12,150,119	12,150,119
Fire protection services	-	9,563,797	-	-	9,563,797
Committed					
Jail and inmate services	-	-	-	507,172	507,172
Park and recreation activities	-	-	-	462,005	462,005
Unassigned	45,333,674	-	-	(138,917)	45,194,757
Total fund balances	<u>45,360,299</u>	<u>10,005,241</u>	<u>38,557,102</u>	<u>21,284,413</u>	<u>115,207,055</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 108,883,011</u>	<u>\$ 38,495,800</u>	<u>\$ 50,874,162</u>	<u>\$ 29,004,752</u>	

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.	964,651,693
Other long-term assets are not available to pay for current period expenditures, and therefore, are unavailable in the funds.	468,574
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.	(79,975,295)
Net pension liability, along with related amounts, is not due and payable in the current period and therefore not reported in the funds.	(41,980,556)
Total OPEB liability, along with related amounts, is not due and payable in the current period and therefore not reported in the funds.	(8,771,700)
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.	46,070

Net position of governmental activities

\$ 949,645,841

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, 2020

	General Fund	Fire District Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 70,748,152	\$ 27,958,110	\$ -	\$ 6,097,708	\$ 104,803,970
Alcoholic beverage taxes	-	-	-	1,172,092	1,172,092
Franchise taxes	2,649,868	-	-	-	2,649,868
Insurance premium taxes	11,380,706	-	-	-	11,380,706
Sales taxes	-	-	47,920,585	-	47,920,585
Other taxes	-	-	-	224,791	224,791
Licenses and permits	3,061,226	-	-	-	3,061,226
Intergovernmental	6,020,778	10,055,052	3,537,347	5,137,459	24,750,636
Fines and forfeitures	4,354,909	-	-	1,237,883	5,592,792
Charges for services	9,522,839	92,829	-	11,049,070	20,664,738
Investment earnings	679,821	177,708	581,767	169,191	1,608,487
Contributions and donations	-	7,000	-	157,317	164,317
Miscellaneous	946,414	3,616	178,292	235,217	1,363,539
Total revenues	109,364,713	38,294,315	52,217,991	25,480,728	225,357,747
Expenditures					
Current:					
General government	15,616,970	-	56,247	311,882	15,985,099
Judicial	16,963,152	-	49,574	2,926,992	19,939,718
Public safety	47,055,609	33,606,214	543,243	9,008,366	90,213,432
Public works	5,774,600	-	5,504,687	-	11,279,287
Health and welfare	625,799	-	42,129	2,938,121	3,606,049
Culture and recreation	2,602,850	-	63,014	4,745,551	7,411,415
Housing and development	4,274,567	-	-	1,403,185	5,677,752
Intergovernmental	-	-	16,355,141	100,000	16,455,141
Capital Outlay	-	-	47,960,667	-	47,960,667
Debt Service					
Principal	393,187	-	62,064	7,378,269	7,833,520
Interest	78,128	-	18,033	1,590,575	1,686,736
Total expenditures	93,384,862	33,606,214	70,654,799	30,402,941	228,048,816
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,979,851	4,688,101	(18,436,808)	(4,922,213)	(2,691,069)
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	9,675	297,641	26,400	21,125	354,841
Issuance of capital lease	108,933	-	-	-	108,933
Insurance reimbursement	98,671	51,492	9,350	14,951	174,464
Transfers in	287,284	-	-	5,752,889	6,040,173
Transfers out	(7,367,705)	(1,656,997)	-	(444,975)	(9,469,677)
Total other financing sources (uses)	(6,863,142)	(1,307,864)	35,750	5,343,990	(2,791,266)
Net Change in Fund Balances	9,116,709	3,380,237	(18,401,058)	421,777	(5,482,335)
Fund Balances Beginning of Year	36,243,590	6,625,004	56,958,160	20,862,636	120,689,390
Fund Balances End of Year	\$ 45,360,299	\$ 10,005,241	\$ 38,557,102	\$ 21,284,413	\$ 115,207,055

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, 2020

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

Net changes in fund balances - total governmental funds	\$ (5,482,335)
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.	(4,175,416)
The net effect of various miscellaneous transactions involving capital assets (i.e. donations, sales and trade-ins) is to increase net position.	10,818,521
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	188,734
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	7,345,000
Principal payments on capital leases	488,520
Capital leases issued	(108,933)
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.	(13,201,207)
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>(137,936)</u>
Change in net position of governmental activities	<u><u>\$ (4,265,052)</u></u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Net Position
Proprietary Funds
September 30, 2020

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets				
Current assets				
Cash	\$ 1,551,926	\$ 645,314	\$ 2,197,240	\$ -
Receivables, net of allowance	661,643	400	662,043	867,471
Inventories	-	-	-	232,530
Prepaid items	97	48	145	73
Total current assets	<u>2,213,666</u>	<u>645,762</u>	<u>2,859,428</u>	<u>1,100,074</u>
Noncurrent assets				
Capital assets, net of depreciation	3,487,230	36,459	3,523,689	227,712
Total noncurrent assets	<u>3,487,230</u>	<u>36,459</u>	<u>3,523,689</u>	<u>227,712</u>
Total assets	<u>5,700,896</u>	<u>682,221</u>	<u>6,383,117</u>	<u>1,327,786</u>
Deferred Outflows of Resources				
Deferred outflows relating to pension	2,977,484	-	2,977,484	367,320
Deferred outflows relating to OPEB	548,142	-	548,142	-
Total deferred outflows of resources	<u>3,525,626</u>	<u>-</u>	<u>3,525,626</u>	<u>367,320</u>
Liabilities				
Current liabilities				
Accounts payable	124,211	15,860	140,071	451,795
Accrued liabilities	215,090	19,237	234,327	35,908
Due to other funds	-	-	-	395,883
Compensated absences, due within one year	262,994	-	262,994	13,423
Total current liabilities	<u>602,295</u>	<u>35,097</u>	<u>637,392</u>	<u>897,009</u>
Long-term Liabilities (net of current portion)				
Compensated absences, due in more than one year	613,654	-	613,654	31,321
Net pension liability	5,528,377	-	5,528,377	682,013
Total OPEB liability	640,500	-	640,500	-
Total long-term liabilities	<u>6,782,531</u>	<u>-</u>	<u>6,782,531</u>	<u>713,334</u>
Total Liabilities	<u>7,384,826</u>	<u>35,097</u>	<u>7,419,923</u>	<u>1,610,343</u>
Deferred Inflows of Resources				
Deferred inflows relating to pension	313,643	-	313,643	38,693
Deferred inflows relating to OPEB	490,788	-	490,788	-
Total deferred inflows of resources	<u>804,431</u>	<u>-</u>	<u>804,431</u>	<u>38,693</u>
Net Position				
Investment in capital assets	3,487,230	36,459	3,523,689	227,712
Unrestricted (deficit)	<u>(2,449,965)</u>	<u>610,665</u>	<u>(1,839,300)</u>	<u>(181,642)</u>
Total Net Position	<u>\$ 1,037,265</u>	<u>\$ 647,124</u>	<u>\$ 1,684,389</u>	<u>\$ 46,070</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, 2020

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
Operating Revenues				
Charges for services	\$ 5,283,614	\$ 200,833	\$ 5,484,447	\$ 21,074,969
Miscellaneous revenue	-	9,270	9,270	2,006,314
Intergovernmental revenue	34,967	-	34,967	-
Total operating revenues	<u>5,318,581</u>	<u>210,103</u>	<u>5,528,684</u>	<u>23,081,283</u>
Operating Expenses				
Personal services	7,834,110	-	7,834,110	1,100,297
Contractual services	710,752	345,803	1,056,555	1,964,296
Claims paid	-	-	-	19,397,533
Supplies	734,891	72,817	807,708	733,457
Depreciation	440,413	13,517	453,930	23,636
Total operating expenses	<u>9,720,166</u>	<u>432,137</u>	<u>10,152,303</u>	<u>23,219,219</u>
Operating income (loss)	(4,401,585)	(222,034)	(4,623,619)	(137,936)
Nonoperating Revenue				
Noncapital grants	134,153	-	134,153	-
Loss on sale of capital assets	(122,766)	-	(122,766)	-
Total nonoperating revenue	<u>11,387</u>	<u>-</u>	<u>11,387</u>	<u>-</u>
Change in net position before transfers and capital contributions	<u>(4,390,198)</u>	<u>(222,034)</u>	<u>(4,612,232)</u>	<u>(137,936)</u>
Capital contributions	<u>1,301,005</u>	<u>-</u>	<u>1,301,005</u>	<u>-</u>
Transfers				
Transfers in	<u>3,269,713</u>	<u>159,791</u>	<u>3,429,504</u>	<u>-</u>
Total transfers	<u>3,269,713</u>	<u>159,791</u>	<u>3,429,504</u>	<u>-</u>
Change in net position	<u>180,520</u>	<u>(62,243)</u>	<u>118,277</u>	<u>(137,936)</u>
Net Position Beginning of Year	<u>856,745</u>	<u>709,367</u>	<u>1,566,112</u>	<u>184,006</u>
Net Position End of Year	<u>\$ 1,037,265</u>	<u>\$ 647,124</u>	<u>\$ 1,684,389</u>	<u>\$ 46,070</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2020

	<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	\$ 5,158,435	\$ 213,193	\$ 5,371,628	\$ -
Receipts from other funds	34,967	-	34,967	22,848,942
Payments to employees	(7,276,709)	-	(7,276,709)	(1,075,082)
Payments to suppliers for services provided	(1,377,192)	(424,182)	(1,801,374)	(22,105,305)
Net Cash Provided by (Used in) Operating Activities	<u>(3,460,499)</u>	<u>(210,989)</u>	<u>(3,671,488)</u>	<u>(331,445)</u>
Cash Flows from Capital Financing Activities				
Proceeds from sale of capital assets	5,500	-	5,500	-
Purchase of capital assets	(226,801)	(14,395)	(241,196)	-
Net Cash Provided by (Used in) Capital Financing Activities	<u>(221,301)</u>	<u>(14,395)</u>	<u>(235,696)</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities				
Noncapital grants	134,153	-	134,153	-
Transfers in	3,269,713	159,791	3,429,504	-
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>3,403,866</u>	<u>159,791</u>	<u>3,563,657</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(277,934)</u>	<u>(65,593)</u>	<u>(343,527)</u>	<u>(331,445)</u>
Cash and Cash Equivalents Beginning of Year	<u>1,829,860</u>	<u>710,907</u>	<u>2,540,767</u>	<u>331,445</u>
Cash and Cash Equivalents End of Year	<u>\$ 1,551,926</u>	<u>\$ 645,314</u>	<u>\$ 2,197,240</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (4,401,585)	\$ (222,034)	\$ (4,623,619)	\$ (137,936)
Adjustments -				
Depreciation	440,413	13,517	453,930	23,636
(Increase) Decrease in:				
Accounts receivable	(125,179)	3,090	(122,089)	(466,241)
Prepaid items	2,680	(24)	2,656	(37)
Inventories	-	-	-	(42,120)
Deferred outflows of resources	117,859	-	117,859	1,588
Increase (Decrease) in:				
Accounts payable	(3,182)	(2,171)	(5,353)	73,518
Accrued expenses	68,953	(3,367)	65,586	(41,380)
Due to other funds	-	-	-	233,900
Compensated absences payable	84,420	-	84,420	(36,637)
Net pension liability	274,697	-	274,697	46,863
Total OPEB liability	85,949	-	85,949	-
Deferred inflows of resources	(5,524)	-	(5,524)	13,401
Net Cash Provided by (Used in) Operating Activities	<u>\$ (3,460,499)</u>	<u>\$ (210,989)</u>	<u>\$ (3,671,488)</u>	<u>\$ (331,445)</u>
Noncash Capital Financing Activities				
Transfer of capital assets from governmental activities	<u>\$ 1,301,005</u>	<u>\$ -</u>	<u>\$ 1,301,005</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
September 30, 2020

	Agency Funds
Assets	
Cash	\$ 23,237,763
Taxes and other receivables	<u>275,321,546</u>
Total assets	<u><u>\$ 298,559,309</u></u>
Liabilities	
Due to others	\$ 23,237,763
Taxes payable to others upon collection	<u>275,321,546</u>
Total Liabilities	<u><u>\$ 298,559,309</u></u>

See accompanying notes to the basic financial statements

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 Sequoyah Regional Library System, 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 **Sequoyah Regional Library System** (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, 2020 the Library received \$2,504,117 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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 \$288,715 to the ARC for the year ended September 30, 2020. 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.

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

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 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.

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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

An *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.

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.

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 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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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, 2020, 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.

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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Payments to vendors for services that will benefit periods beyond September 30, 2020, 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:

<u>Asset Class</u>	<u>Estimate Useful Life</u>
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 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.

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. Additionally, the

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

NOTE 2. 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:	\$ (55,725,000)
Less: Underwriters discount	108,939
Add: Original issue premium	(470,009)
Capital lease payable	(1,250,305)
Accrued interest payable	(47,146)
Claims payable	(1,039,102)
Landfill postclosure costs	(6,200,689)
Compensated absences	<u>(15,351,983)</u>
Net adjustment to reduce fund balance-total governmental funds	
to arrive at net position-governmental activities	<u><u>\$ (79,975,295)</u></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 difference are as follows:

Donations of capital assets	\$ 12,527,843
Disposal of capital assets	(408,317)
Transfer of capital assets to EMS fund	<u>(1,301,005)</u>
Net adjustment to increase fund balance- total governmental funds	
to arrive at net position-governmental activities	<u><u>\$ 10,818,521</u></u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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	\$ 50,211,880
Depreciation expense	<u>(54,387,296)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (4,175,416)</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	\$ (1,934,677)
Insurance claims	(353,418)
Amortization expense	86,967
Pension expense	(5,966,918)
OPEB expense	(604,981)
Landfill monitoring costs	(4,459,110)
Interest expense	<u>30,930</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (13,201,207)</u>

NOTE 3. 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, 2020, the County had the following investments:

Investment	Maturity	Amount
Georgia Fund 1	46 day WAM	<u>\$ 16,079,956</u>
		<u>\$ 16,079,956</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

The County reports its investments in Georgia Fund 1 as cash equivalents in the financial statements as of September 30, 2020.

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, 2020, the County was not exposed to custodial credit risk.

NOTE 4. RECEIVABLES

Receivables at September 30, 2020, for the County's individual major funds and nonmajor funds are as follows:

	General Fund	Fire District	Nonmajor Governmental Funds
Receivables:			
Property taxes	\$ 54,458,140	\$ 25,751,672	\$ 5,428,262
Accounts	13,319,225	525	237,304
Gross receivables	67,777,365	25,752,197	5,665,566
Less allowance for uncollectibles	734,372	155,490	32,560
Net receivables	<u>\$ 67,042,993</u>	<u>\$ 25,596,707</u>	<u>\$ 5,633,006</u>
		Non-major Conference Center	Internal Service Funds
Receivables:	EMS		
Accounts	\$ 20,455,244	\$ 400	\$ 867,471
Less allowance for uncollectibles	19,793,601	-	-
Net total receivables	<u>\$ 661,643</u>	<u>\$ 400</u>	<u>\$ 867,471</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, 2020

NOTE 5. CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land and land improvement	\$ 287,703,122	\$ 4,335,503	\$ -	\$ (102,900)	\$ 291,935,725
Construction in progress	38,055,221	45,176,789	(4,804,455)	(70,034)	78,357,521
Total	<u>325,758,343</u>	<u>49,512,292</u>	<u>(4,804,455)</u>	<u>(172,934)</u>	<u>370,293,246</u>
Capital assets, being depreciated:					
Buildings and improvements	200,877,362	265,947	1,767,726	(11,095)	202,899,940
Machinery and equipment	24,744,746	1,047,846	(22,421)	(739,778)	25,030,393
Vehicles	34,887,850	2,954,079	1,758,145	(1,549,575)	38,050,499
Infrastructure	1,087,344,949	8,959,559	-	-	1,096,304,508
Total	<u>1,347,854,907</u>	<u>13,227,431</u>	<u>3,503,450</u>	<u>(2,300,448)</u>	<u>1,362,285,340</u>
Less accumulated depreciation for:					
Buildings and improvements	60,087,663	6,554,619	-	(11,095)	66,631,187
Machinery and equipment	20,056,141	1,458,671	-	(660,990)	20,853,822
Vehicles	22,252,185	2,571,816	-	(1,392,980)	23,431,021
Infrastructure	612,957,325	43,825,826	-	-	656,783,151
Total	<u>715,353,314</u>	<u>54,410,932</u>	<u>-</u>	<u>(2,065,065)</u>	<u>767,699,181</u>
Total capital assets, being depreciated, net	<u>632,501,593</u>	<u>(41,183,501)</u>	<u>3,503,450</u>	<u>(235,383)</u>	<u>594,586,159</u>
Governmental activities capital assets, net	<u>\$ 958,259,936</u>	<u>\$ 8,328,791</u>	<u>\$ (1,301,005)</u>	<u>\$ (408,317)</u>	<u>\$ 964,879,405</u>

Internal service funds predominately serve the governmental funds. Accordingly, capital assets for the Fleet Services Internal Service Fund totaling \$850,630 with accumulated depreciation of \$622,918 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, being depreciated:					
Machinery and equipment	\$ 4,686,479	\$ 241,196	\$ 1,301,005	\$ (310,948)	\$ 5,917,732
Less accumulated depreciation for:					
Machinery and equipment	2,122,795	453,930	-	(182,682)	2,394,043
Total depreciable capital assets, net	<u>2,563,684</u>	<u>(212,734)</u>	<u>1,301,005</u>	<u>(128,266)</u>	<u>3,523,689</u>
Business-type activities capital assets, net	<u>\$ 2,563,684</u>	<u>\$ (212,734)</u>	<u>\$ 1,301,005</u>	<u>\$ (128,266)</u>	<u>\$ 3,523,689</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

Governmental activities:	
General government	\$ 1,114,461
Judicial	461,751
Public safety	4,341,015
Public works	44,330,295
Health and welfare	206,250
Culture and recreation	3,821,448
Housing and development	112,076
Fleet services	23,636
Total depreciation expense- governmental activities	<u>\$ 54,410,932</u>
Business-type activities:	
Emergency Medical Services Fund	\$ 440,413
Conference Center Fund	13,517
	<u>\$ 453,930</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	\$ 370,293,246	\$ -	\$ 370,293,246
Capital assets, depreciable, net	594,586,159	3,523,689	598,109,848
Bonds payable	(56,086,070)	-	(56,086,070)
Capital leases payable	(1,250,305)	-	(1,250,305)
Retainage and accounts payable	(10,161,836)	-	(10,161,836)
Net investment in capital assets	<u>\$ 897,381,194</u>	<u>\$ 3,523,689</u>	<u>\$ 900,904,883</u>

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

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 5,750,363	\$ 589,040	\$ (1,746,856)	\$ 4,592,547
Construction in progress	1,071,010	4,728,521	(4,428,457)	1,371,074
Total capital assets, not being depreciated	<u>6,821,373</u>	<u>5,317,561</u>	<u>(6,175,313)</u>	<u>5,963,621</u>
Capital assets, being depreciated				
Machinery and equipment	1,052,095	-	-	1,052,095
Less accumulated depreciation for:				
Machinery and equipment	467,600	93,520	-	561,120
Total capital assets, being depreciated, net	<u>584,495</u>	<u>(93,520)</u>	<u>-</u>	<u>490,975</u>
Total capital assets, net	<u>\$ 7,405,868</u>	<u>\$ 5,224,041</u>	<u>\$ (6,175,313)</u>	<u>\$ 6,454,596</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 6. LONG-TERM OBLIGATIONS

A. Primary Government

The following is a summary of long-term obligations activity for the year ended September 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Debt:					
Bonds payable	\$ 63,070,000	\$ -	\$ (7,345,000)	\$ 55,725,000	\$ 5,540,000
Less: discounts	(120,154)	-	11,215	(108,939)	-
Add: premiums	568,191	-	(98,182)	470,009	-
Bonds payable, net	63,518,037	-	(7,431,967)	56,086,070	5,540,000
Capital leases	1,629,892	108,933	(488,520)	1,250,305	511,870
Total debt	65,147,929	108,933	(7,920,487)	57,336,375	6,051,870
Other long-term obligations:					
Claims payable	685,684	1,331,548	(978,130)	1,039,102	779,327
Compensated absences	13,498,687	4,625,097	(2,727,057)	15,396,727	4,619,018
Landfill postclosure	1,741,579	4,729,902	(270,792)	6,200,689	218,035
Total other long-term obligations	15,925,950	10,686,547	(3,975,979)	22,636,518	5,616,380
Governmental activities					
Long-term liabilities	\$ 81,073,879	\$ 10,795,480	\$ (11,896,466)	\$ 79,972,893	\$ 11,668,250
Business-type activities:					
Other long-term obligations:					
Compensated absences	\$ 792,228	\$ 243,844	\$ (159,424)	\$ 876,648	\$ 262,994
Business-type activities					
Long-term liabilities	\$ 792,228	\$ 243,844	\$ (159,424)	\$ 876,648	\$ 262,994

For governmental activities, claims payable, compensated absences, landfill postclosure costs, pension liabilities, and OPEB liabilities are generally liquidated by the General Fund.

Bonds payable (Direct Borrowing/Placements). The County has general obligation bonds payable and a solid waste disposal revenue bond outstanding at September 30, 2020, which includes the following individual issues:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Resource recovery revenue bond-2007A	4.65% - 5.00%	27 years	2034	\$ 13,205,000	\$ 2,930,000
Resource recovery revenue bond-2007B	5.80%	15 years	2022	4,940,000	900,000
Recovery zone economic development bond-2010	4.52%	15 years	2025	10,767,000	6,217,000
Recreation bond- 2012	1.90%	15 years	2026	11,410,000	3,220,000
Recreation bond- 2014	2.84%	15 years	2029	22,823,000	17,923,000
Refunding bond- 2016	1.67%	14 years	2029	28,450,000	24,535,000
				Plus unamortized premium	470,009
				Less unamortized discount	(108,939)
					\$ 56,086,070
				Less current maturities	5,540,000
					<u>\$ 50,546,070</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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 \$23,290,000 at September 30, 2020.

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

Fiscal Year Ending September 30,	Principal	Interest
2021	\$ 5,540,000	\$ 1,386,576
2022	5,745,000	1,227,036
2023	5,950,000	1,059,375
2024	6,170,000	889,041
2025	6,390,000	710,227
2026-2029	25,930,000	1,227,025
	<u>\$ 55,725,000</u>	<u>\$ 6,499,280</u>

Capital Leases (Direct Borrowing/Placements). Various capital leases for financing vehicles and the telephone system were entered into by the County. The leases expire beginning fiscal year 2021 through 2024. The gross amount of Governmental Activities capital assets on the balance sheet recorded under capital leases is \$2,607,587 and accumulated depreciation is \$1,357,282. 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:

Fiscal Year Ending September 30,	Principal	Interest
2021	\$ 511,870	\$ 75,605
2022	389,068	33,899
2023	204,474	13,014
2024	107,364	3,212
	37,529	134
	<u>\$ 1,250,305</u>	<u>\$ 125,864</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. Engineers are in the process of obtaining the Georgia Environmental Protection Division's acceptance of the County's corrective action plan. At this time, engineering studies estimate postclosure costs of approximately \$6,200,689 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, 2020. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Legal Debt Margin. The County is subject to a debt limit that is 10% of its total assessed taxable property valuation. At September 30, 2020, that amount was \$1,225,179,629. As of September 30, 2020, the total outstanding debt applicable to the limit was \$52,365,000.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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

Long-Term Obligations. The following is a summary of changes in long-term obligations of the Department for the year ended June 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 597,294	\$ 354,613	\$ 298,467	\$ 653,440	\$ 326,720
Total long-term obligations	<u>\$ 597,294</u>	<u>\$ 354,613</u>	<u>\$ 298,467</u>	<u>\$ 653,440</u>	<u>\$ 326,720</u>

C. Discretely Presented Component Unit – Sequoyah Regional Library System

Long Term Obligations. The following is a summary of changes in long-term obligations of the Department for the year ended June 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 63,956	\$ 196,881	\$ 193,628	\$ 67,209	\$ 13,442
Total long-term obligations	<u>\$ 63,956</u>	<u>\$ 196,881</u>	<u>\$ 193,628</u>	<u>\$ 67,209</u>	<u>\$ 13,442</u>

NOTE 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2020, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 146,537
General Fund	Internal Service Funds	395,883
		<u>\$ 542,420</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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Transfers between the funds as of September 30, 2020 are as follows:

Transfer In Fund	Transfer Out Fund	Amount
General Fund	Nonmajor governmental funds	\$ 150,000
General Fund	Fire District	137,284
		287,284
Nonmajor governmental funds	General fund	5,617,705
Nonmajor governmental funds	Nonmajor governmental funds	135,184
		5,752,889
EMS	General fund	1,750,000
EMS	Fire District	1,519,713
		3,269,713
Nonmajor proprietary funds	Nonmajor governmental funds	159,791
		\$ 9,469,677

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. The majority of the County’s transfer activity is to fund ongoing and planned capital projects. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

NOTE 8. 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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Plan Membership. As of January 1, 2020, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees, Beneficiaries, and Disables receiving benefits	434
Terminated plan participants entitled to but not yet receiving benefits	978
Active employees participating in the Plan	1,712
Total number of Plan participants	3,124

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 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, 2020, the County’s contribution rate was 16.39% of annual payroll. County contributions to the Plan were \$11,849,885 for the year ended September 30, 2020.

Net Pension Liability of the County. The County’s net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2019 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2019.

Actuarial Assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.50% - 5.50%, based on age
Investment rate of return	7.00%, per year

Mortality table was changed from RP-2000 mortality table projected with Scale AA to 2018 to the Pub-2010 Amount weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2019.

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study through February 2020.

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, 2019 are summarized in the table below:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Asset class	Target allocation	Long-term expected real rate of return
Fixed income	30.00%	25% - 35%
Large Cap equity	30.00%	25% - 35%
International equity	15.00%	10% - 20%
Other equity	20.00%	2.5% - 10%
Real estate	5.00%	2.5% - 10%
	<u>100.00%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. 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.

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, 2020 were as follows:

	Total Pension Liability (a)	Net Fiduciary Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 164,966,759	\$ 80,617,020	\$ 84,349,739
Changes for the year:			
Service cost	5,690,160	-	5,690,160
Interest	11,290,093	-	11,290,093
Contributions - employer	-	11,006,853	(11,006,853)
Contributions - employee	-	4,499,616	(4,499,616)
Net investment income	-	17,660,259	(17,660,259)
Benefit payments, including refunds of employee contributions	(7,359,415)	(7,359,415)	-
Administrative expense	-	(247,038)	247,038
Changes in assumptions	6,040,878	-	6,040,878
Differences in expected and actual experience	12,264,924	-	12,264,924
Plan change	-	-	-
Other changes	-	(514,156)	514,156
Net changes	<u>27,926,640</u>	<u>25,046,119</u>	<u>2,880,521</u>
Balances at December 31, 2019	<u>\$ 192,893,399</u>	<u>\$ 105,663,139</u>	<u>\$ 87,230,260</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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$ 115,809,017	\$ 87,230,260	\$ 63,800,492

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, 2019 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, 2020, the County recognized pension expense of \$18,328,747. At September 30, 2020, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (4,948,860)
Differences between expected and actual experience	17,482,909	-
Assumption changes	20,240,406	-
Contributions made after the measurement date	9,257,327	-
Total	\$ 46,980,642	\$ (4,948,860)

The County's contributions subsequent to the measurement date of \$9,257,327 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, 2021. The other amount reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2021	\$ 10,549,515
2022	9,694,648
2023	9,309,816
2024	3,220,476
2025	-
	\$ 32,774,455

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 9. 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, 2020, there were 313 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 year ended September 30, 2020, the County's contribution to the Plan was \$36,996. 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 10. 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.

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, \$1,007.35 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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Plan Membership. The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of September 30, 2019.

Active employees	1,216
Retirees	<u>38</u>
Total number of Plan participants	<u><u>1,254</u></u>

Total OPEB Liability. The County’s total OPEB liability was determined by an actuarial valuation as of September 30, 2019 and rolled forward to the measurement date of September 30, 2020.

Actuarial assumptions. The total OPEB liability as of September 30, 2020 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	2.14%
Healthcare cost trend rate	6.10%
Retirees' share of benefits related costs	Retirees pay 100% of the total premium for medical, dental, and vision benefits, unless they have attained 25 or more years of service at the time of retirement. Retirees with 25 but less than 30 years of service receive a premium subsidy of 75% of the cost of single coverage. Retirees with 30 or more years receive a premium subsidy of 100% of the cost of single coverage. Retiree premiums for those not eligible for ISRP contributions for calendar year 2020 are \$623.14 for the Retiree, and \$384.21 for spouse.

The discount rate was based on S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2020.

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

The actuarial assumptions used in the September 30, 2019 valuation were based on the results of February 2019 experience study.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at 9/30/2019	\$ 8,595,041
Changes for the year:	
Service cost	703,863
Interest	183,934
Differences between expected and actual experience	(191,151)
Changes of assumptions	1,383,046
Changes in benefit terms	-
Employer contributions	(399,810)
Net changes	1,679,882
Balances at 9/30/2020	\$ 10,274,923

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 (1.14%) or 1-percentage-point higher (3.14%) than the current discount rate:

	1% Decrease (1.14%)	Discount Rate (2.14%)	1% Increase (3.14%)
Total OPEB liability (asset)	\$ 11,365,045	\$ 10,274,923	\$ 9,291,257

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 (5.10%) or 1-percentage-point higher (7.10%) than the current healthcare cost trend rates:

	1% Decrease (5.10%)	Healthcare Cost Trend Rates (6.10%)	1% Increase (7.10%)
Total OPEB liability (asset)	\$ 8,956,694	\$ 10,274,923	\$ 11,869,761

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2020, the County recognized OPEB expense of \$624,870. At September 30, 2020, 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	\$ -	\$ 7,873,236
Changes of assumptions	8,793,313	-
Total	\$ 8,793,313	\$ 7,873,236

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,		
2021	\$	136,883
2022		136,883
2023		136,883
2024		136,883
2025		126,591
Thereafter		245,954
	\$	920,077

NOTE 11. 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 0.71. 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, 2020

Changes in the balances of claims liabilities during the current fiscal year and prior two years 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
2020	\$ 685,684	\$ 1,331,548	\$ 978,130	1,039,102
2019	400,587	1,076,293	791,196	685,684
2018	718,636	328,918	646,967	400,587

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at September 30, 2020, the County has contractual commitments on uncompleted contracts of \$11,917,946.

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.

COVID 19:

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. The recently declared pandemic could adversely impact the County's future financial results, especially if the community is negatively impacted by the decrease in economic activity caused by the virus. Such potential impact is unknown at this time.

NOTE 13. FUND BALANCE/NET POSITION DEFICITS

A net position deficit of \$191,682 exists in the Fleet Services Internal Services Fund. It is expected that charges for services in future years will provide positive net position.

A fund balance deficit of \$138,917 exists in Debt Service Fund. It is expected that property tax revenues in future years will provide positive fund balance.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 14. HOTEL/MOTEL LODGING TAX

The County has levied a 6% lodging tax. During the fiscal year ended September 30, 2020, the County spent \$224,791 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.

NOTE 15. 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 2020, 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 \$572,273 during the fiscal year ended September 30, 2020.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability						
Service cost	\$ 5,690,160	\$ 4,591,333	\$ 4,243,211	\$ 3,704,315	\$ 3,343,650	\$ 3,232,735
Interest on total pension liability	11,290,093	9,664,688	8,729,649	8,040,120	7,411,828	6,841,216
Benefit payments, including refunds of employee contributions	(7,359,415)	(8,075,492)	(7,123,049)	(5,725,728)	(5,402,934)	(4,931,584)
Changes in assumptions	6,040,878	21,107,459	248,807	4,142,261	3,165,452	-
Plan changes	-	(3,251,913)	-	-	-	-
Differences in expected and actual experience	12,264,924	3,586,890	7,274,695	3,745,052	2,722,097	-
Net change in total pension liability	27,926,640	27,622,965	13,373,313	13,906,020	11,240,093	5,142,367
Total pension liability-beginning	<u>164,966,759</u>	<u>137,343,794</u>	<u>123,970,481</u>	<u>110,064,461</u>	<u>98,824,368</u>	<u>93,682,001</u>
Total pension liability-ending (a)	<u>\$ 192,893,399</u>	<u>\$ 164,966,759</u>	<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	\$ 11,006,853	\$ 9,012,774	\$ 6,983,937	\$ 5,098,795	\$ 3,211,208	\$ 3,284,519
Contributions-employee	4,499,616	4,152,868	3,892,462	3,661,184	3,415,883	3,161,975
Net investment income	17,660,259	(4,044,856)	10,840,433	4,409,878	462,301	3,735,315
Benefit payments, including refunds of employee contributions	(7,359,415)	(8,075,493)	(7,123,049)	(5,725,728)	(5,207,647)	(4,931,584)
Administrative expenses	(247,038)	(222,709)	(211,606)	(199,710)	(189,319)	(172,667)
Other	(514,156)	(441,080)	(558,648)	(543,269)	(669,631)	(89,595)
Net change in plan fiduciary net position	25,046,119	381,504	13,823,529	6,701,150	1,022,795	4,987,963
Plan fiduciary net position-beginning	<u>80,617,020</u>	<u>80,235,516</u>	<u>66,411,987</u>	<u>59,710,837</u>	<u>58,688,042</u>	<u>53,700,079</u>
Plan fiduciary net position-ending (b)	<u>\$ 105,663,139</u>	<u>\$ 80,617,020</u>	<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 - ending (a) - (b)	<u>\$ 87,230,260</u>	<u>\$ 84,349,739</u>	<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	54.78%	48.87%	58.42%	53.57%	54.25%	59.39%
Covered payroll	\$ 66,430,660	\$ 62,731,597	\$ 60,638,360	\$ 55,298,160	\$ 51,554,723	\$ 48,386,989
County's net pension liability as a percentage of covered payroll	131.31%	134.46%	84.76%	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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 12,313,985	\$ 10,848,801	\$ 7,504,938	\$ 6,208,858	\$ 4,829,519	\$ 4,044,842	\$ 3,871,516
Contributions in relation to the actuarially determined contribution	<u>11,849,885</u>	<u>10,188,335</u>	<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>\$ 464,100</u>	<u>\$ 660,466</u>	<u>\$ (1,341,481)</u>	<u>\$ (397,994)</u>	<u>\$ 100,211</u>	<u>\$ 684,648</u>	<u>\$ 708,943</u>
Covered payroll	\$ 72,287,571	\$ 66,430,660	\$ 62,731,597	\$ 60,638,360	\$ 55,298,160	\$ 51,554,723	\$ 48,386,989
Contributions as a percentage of covered payroll	16.39%	15.34%	14.10%	9.81%	8.55%	6.52%	6.54%

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 703,863	\$ 571,586	\$ 383,243
Interest on total OPEB liability	183,934	207,342	206,055
Changes of benefit terms	-	2,854,622	-
Differences between expected and actual experience	(191,151)	(300,694)	(12,009,229)
Changes of assumptions	1,383,046	(151,375)	12,356,713
Employer Contributions	(399,810)	(378,111)	(639,899)
Net change in total OPEB liability	<u>1,679,882</u>	<u>2,803,370</u>	<u>296,883</u>
Total OPEB liability - beginning	<u>8,595,041</u>	<u>5,791,671</u>	<u>5,494,788</u>
Total OPEB liability - ending	<u>\$ 10,274,923</u>	<u>\$ 8,595,041</u>	<u>\$ 5,791,671</u>
Covered payroll	\$ 65,406,912	\$ 63,501,856	\$ 58,902,161
County's total OPEB liability as a percentage of covered payroll	15.71%	13.54%	9.83%

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:

In 2020, the discount rate was decreased from 3.58% to 2.14%.

In 2020, the medical trend rate was decreased from 6.30% to 6.10%.

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, 2020

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 65,328,675	\$ 66,053,802	\$ 70,748,152	\$ 4,694,350
Franchise taxes	2,470,000	2,470,000	2,649,868	179,868
Insurance premiums taxes	10,433,975	10,433,975	11,380,706	946,731
Licenses and permits	2,630,000	2,630,000	3,061,226	431,226
Intergovernmental	81,000	5,976,551	6,020,778	44,227
Fines and forfeitures	4,338,000	4,351,000	4,354,909	3,909
Charges for services	10,062,514	10,062,514	9,522,839	(539,675)
Interest	900,000	900,000	679,821	(220,179)
Other	927,509	927,509	946,414	18,905
Total revenues	97,171,673	103,805,351	109,364,713	5,559,362
Expenditures				
Current:				
General government				
County commission	310,507	326,241	326,237	4
County manager	750,984	750,984	733,362	17,622
County clerk	225,360	228,540	228,540	-
Administrative services agencies	316,075	290,912	262,710	28,202
Elections	928,715	976,077	976,075	2
Finance	914,635	928,325	928,325	-
Purchasing	350,055	350,055	339,192	10,863
County attorney	302,580	354,396	354,395	1
Data processing	2,971,448	2,971,448	2,950,843	20,605
Human resources	360,963	368,026	368,025	1
Tax commissioner	2,087,836	2,087,836	2,006,260	81,576
Tax commissioner (TAVT)	264,735	264,735	239,783	24,952
Tax assessor	2,714,201	2,714,201	2,685,659	28,542
Development services administration	486,493	486,493	480,147	6,346
GIS/mapping	350,789	350,789	286,650	64,139
Building and grounds	2,097,916	2,148,600	2,148,062	538
General administration	906,503	118,216	82,959	35,257
Rental property	21,070	21,070	17,207	3,863
Risk management	122,232	122,232	118,680	3,552
Communications	-	113,450	99,786	13,664
Capital Projects	17,052	17,052	8,049	9,003
Total general government	16,500,149	15,989,678	15,640,946	348,732
Judicial				
Court administration	1,855,328	1,852,372	1,636,192	216,180
Superior court	517,724	517,724	458,507	59,217
Clerk of superior court	3,867,950	3,995,107	3,862,487	132,620
Board of equalization	26,713	26,713	11,952	14,761
Clerk of court technology fund	163,000	163,000	86,466	76,534
District attorney	3,057,610	3,057,610	3,056,973	637
State court	994,581	994,581	943,184	51,397

(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, 2020

	Budget		Actual	Variance With Final Budget
	Original	Final		
Judicial (continued)				
State court solicitor	1,957,406	1,973,690	1,974,693	(1,003)
Magistrate court	481,587	481,587	470,264	11,323
Probate court	879,077	924,103	924,101	2
Indigent defense	2,246,646	2,249,602	2,234,802	14,800
Office of solicitor general	27,408	27,408	14,448	12,960
Juvenile court	1,388,427	1,388,427	1,305,240	83,187
Juvenile court supervision	64,780	64,780	23,950	40,830
Total judicial	17,528,237	17,716,704	17,003,259	713,445
Public safety				
Coroner	216,606	216,606	203,779	12,827
Vice control	1,340,887	1,381,187	1,381,188	(1)
Law enforcement administration	3,362,605	3,324,531	3,324,531	-
Criminal investigation	3,793,812	3,921,323	3,921,323	-
Uniform patrol	9,680,700	10,311,495	10,311,496	(1)
Sheriff training division	1,236,863	1,345,640	1,345,641	(1)
Intelligence division	94,089	95,281	95,282	(1)
Special operations	2,671,872	2,739,784	2,739,784	-
Adult detention facility	16,638,216	17,666,176	17,666,177	(1)
Emergency management	331,399	368,937	368,939	(2)
Court services	2,554,216	2,715,951	2,715,952	(1)
Office of professional standards	259,875	348,844	348,845	(1)
Sheriff crossing guard	211,421	140,494	140,494	-
Animal control	471,408	494,631	494,631	-
Animal shelter	1,276,554	1,313,190	1,318,276	(5,086)
Probation	729,090	769,937	745,970	23,967
Total public safety	44,869,613	47,154,007	47,122,308	31,699
Public works				
Recycling	299,193	299,193	257,968	41,225
Roads	3,931,558	3,931,558	3,603,291	328,267
Stormwater management	454,569	476,997	473,102	3,895
Engineering	1,230,009	1,230,009	1,169,787	60,222
Postclosure care	244,183	338,942	275,102	63,840
Total public works	6,159,512	6,276,699	5,779,250	497,449
Health and welfare				
Public health administration	202,701	202,701	202,599	102
Aid to dependent children	97,000	97,000	92,592	4,408
Aid to the disabled	12,000	12,000	12,000	-
Children and youth services	36,300	36,300	17,900	18,400
Community services	189,405	189,405	188,236	1,169
County extension	104,800	107,202	107,202	-
Senior center	5,125	6,142	6,142	-
Total health and welfare	647,331	650,750	626,671	24,079

(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, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Housing and development				
Code enforcement	1,435,947	1,547,178	1,547,181	(3)
Conservation	75,861	81,209	81,208	1
Planning and zoning	1,079,643	1,079,643	1,077,948	1,695
Permits and inspections	928,512	928,512	924,206	4,306
Forestry services	13,197	13,197	13,197	-
UCS economic development	592,187	592,187	592,187	-
Economic development	45,000	45,036	45,036	-
Total housing and development	<u>4,170,347</u>	<u>4,286,962</u>	<u>4,280,963</u>	<u>5,999</u>
Culture and recreation				
Community arts centers	40,000	40,000	40,000	-
Historical Society	64,017	64,017	62,512	1,505
Library	2,454,116	2,454,116	2,454,116	-
MUST	50,000	50,000	50,000	-
Total recreation and culture	<u>2,608,133</u>	<u>2,608,133</u>	<u>2,606,628</u>	<u>1,505</u>
Debt service:				
Principal	286,773	296,162	266,016	30,146
Interest	57,590	57,590	58,821	(1,231)
Total debt service	<u>344,363</u>	<u>353,752</u>	<u>324,837</u>	<u>28,915</u>
Total expenditures	<u>92,827,685</u>	<u>95,036,685</u>	<u>93,384,862</u>	<u>1,651,823</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,343,988</u>	<u>8,768,666</u>	<u>15,979,851</u>	<u>7,211,185</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	-	-	9,675	9,675
Issuance of capital lease	92,017	92,017	108,933	16,916
Insurance reimbursement	-	68,865	98,671	29,806
Transfers in	287,284	287,284	287,284	-
Transfers out	(7,348,289)	(7,491,432)	(7,367,705)	123,727
Total other financing sources (uses)	<u>(6,968,988)</u>	<u>(7,043,266)</u>	<u>(6,863,142)</u>	<u>180,124</u>
Net change in fund balance	(2,625,000)	1,725,400	9,116,709	7,391,309
Fund balance, beginning of year	<u>36,243,590</u>	<u>36,243,590</u>	<u>36,243,590</u>	<u>-</u>
Fund balance, end of year	<u>\$ 33,618,590</u>	<u>\$ 37,968,990</u>	<u>\$ 45,360,299</u>	<u>\$ 7,391,309</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, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	\$27,488,866	\$27,488,866	\$ 27,958,110	\$ 469,244
Intergovernmental	6,259,982	9,631,353	10,055,052	423,699
Charges for services	70,000	70,000	92,829	22,829
Interest	250,000	250,000	177,708	(72,292)
Contributions and donations	-	7,000	7,000	-
Other	-	-	3,616	3,616
Total revenues	34,068,848	37,447,219	38,294,315	847,096
Expenditures				
Current				
Public safety	32,978,078	33,606,211	33,606,214	(3)
Total expenditures	32,978,078	33,606,211	33,606,214	(3)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,090,770	3,841,008	4,688,101	847,093
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	297,641	297,641
Insurance reimbursement	-	-	51,492	51,492
Transfers out	(1,656,997)	(1,656,997)	(1,656,997)	-
Total other financing sources (uses)	(1,656,997)	(1,656,997)	(1,307,864)	349,133
Net Change in Fund Balances	(566,227)	2,184,011	3,380,237	1,196,226
Fund Balances Beginning of Year	6,625,004	6,625,004	6,625,004	-
Fund Balances End of Year	\$ 6,058,777	\$ 8,809,015	\$ 10,005,241	\$ 1,196,226

CHEROKEE COUNTY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2020

1. METHODS AND ASSUMPTIONS TO DETERMINE CONTRIBUTION RATES

Pension Plan:

1. Valuation date: 01/01/20
2. Actuarial cost method: Entry Age Normal
3. Asset valuation method: Smoothed market value with a 5-year smoothing period.
4. Assumed Rate of Return of Investments: 7.00%
5. Amortization Method: Closed level dollar for unfunded liability
6. Includes inflation at 2.50%

2. CHANGES IN ASSUMPTIONS

OPEB Plan:

1. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.
2. The discount rate was decreased from 3.58% to 2.14%.
3. The medical trend rate was decreased from 6.30% to 6.10%.

3. 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 30th. Budget amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary 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 certain General Fund debt service expenditures are budgeted at the department level.

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.

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.

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.

CHEROKEE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued)

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

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, 2020

	Special Revenue Funds									
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	DUI Court	Victim/ Witness	Parks and Recreation	DA Confiscated Assets
Assets										
Cash	\$ 507,172	\$ 494,949	\$ 273,390	\$ 98,081	\$ 20,120	\$ 530,679	\$ 919,991	\$ 37,779	\$ 404,218	\$ 67,816
Investments	-	-	-	-	-	-	-	-	-	-
Property taxes receivable, net	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	487	-	-	150	-	202,589	-
Due from other governments	-	-	95,279	-	262,858	7,752	22,676	9,934	-	-
Prepaid items	-	-	388	-	-	-	194	-	2,430	-
Total Assets	\$ 507,172	\$ 494,949	\$ 369,057	\$ 98,568	\$ 282,978	\$ 538,431	\$ 943,011	\$ 47,713	\$ 609,237	\$ 67,816
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Accounts payable	\$ -	\$ -	\$ 30,009	\$ -	\$ 50,888	\$ -	\$ 25,038	\$ -	\$ 66,038	\$ 2,014
Accrued liabilities	-	-	31,232	-	34,561	4,672	6,012	2,928	78,764	-
Due to other funds	-	-	-	-	1,237	-	-	-	-	-
Total Liabilities	-	-	61,241	-	86,686	4,672	31,050	2,928	144,802	2,014
Deferred Inflows of Resources										
Unearned revenue- advance registration fees	-	-	-	-	-	-	-	-	-	-
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balances										
Nonspendable:										
Prepaid items	-	-	388	-	-	-	194	-	2,430	-
Restricted:										
Law library operations	-	494,949	-	-	-	-	-	-	-	-
Senior services	-	-	307,428	-	-	-	-	-	-	-
Public safety	-	-	-	98,568	-	-	-	-	-	65,802
Court services	-	-	-	-	-	533,759	911,767	-	-	-
Grant activities	-	-	-	-	196,292	-	-	-	-	-
Jail operations and construction	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	44,785	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-	-
Committed:										
Jail and inmate services	507,172	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	462,005	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	507,172	494,949	307,816	98,568	196,292	533,759	911,961	44,785	464,435	65,802
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 507,172	\$ 494,949	\$ 369,057	\$ 98,568	\$ 282,978	\$ 538,431	\$ 943,011	\$ 47,713	\$ 609,237	\$ 67,816

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	Special Revenue Funds								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
Assets									
Cash	\$ -	\$ 738,839	\$ 67,850	\$ 2,154,370	\$ -	\$ 314,138	\$ 202,971	\$ 1,369	\$ 221,895
Investments	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	16,490	-	-	-	-
Due from other governments	318,405	16,610	-	932,800	-	322,929	105,411	30,563	-
Prepaid items	48	-	-	484	-	145	97	-	-
Total Assets	\$ 318,453	\$ 755,449	\$ 67,850	\$ 3,087,654	\$ 16,490	\$ 637,212	\$ 308,479	\$ 31,932	\$ 221,895
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	\$ 216,918	\$ 58,379	\$ -	\$ 9,421	\$ -	\$ 8,966	\$ 7,382	\$ 6,092	\$ 715
Accrued liabilities	2,515	-	-	112,141	-	25,262	15,254	2,886	3,778
Due to other funds	98,080	-	-	-	16,490	-	16,965	13,765	-
Total Liabilities	317,513	58,379	-	121,562	16,490	34,228	39,601	22,743	4,493
Deferred Inflows of Resources									
Unearned revenue- advance registration fees	-	-	-	-	-	-	-	-	-
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable:									
Prepaid items	48	-	-	484	-	145	97	-	-
Restricted:									
Law library operations	-	-	-	-	-	-	-	-	-
Senior services	-	-	-	-	-	-	-	-	-
Public safety	-	-	67,850	-	-	-	-	-	217,402
Court services	-	-	-	-	-	-	-	-	-
Grant activities	892	-	-	-	-	-	268,781	9,189	-
Jail operations and construction	-	697,070	-	-	-	-	-	-	-
E911 operations	-	-	-	2,965,608	-	-	-	-	-
Health and welfare	-	-	-	-	-	602,839	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-
Committed:									
Jail and inmate services	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-
Total Fund Balances	940	697,070	67,850	2,966,092	-	602,984	268,878	9,189	217,402
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 318,453	\$ 755,449	\$ 67,850	\$ 3,087,654	\$ 16,490	\$ 637,212	\$ 308,479	\$ 31,932	\$ 221,895

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2020

	<u>Capital Projects Funds</u>			
	<u>Resource Recovery</u>	<u>Impact</u>	<u>Debt</u>	<u>Total</u>
	<u>Development</u>			
	<u>Authority</u>			
Assets				
Cash	\$ 817,267	\$ 12,471,033	\$ 811,451	\$ 21,155,378
Property taxes receivable, net	-	-	5,395,702	5,395,702
Accounts receivable, net	-	17,588	-	237,304
Due from other governments	-	87,365	-	2,212,582
Prepaid items	-	-	-	3,786
Total Assets	<u>\$ 817,267</u>	<u>\$ 12,575,986</u>	<u>\$ 6,207,153</u>	<u>\$ 29,004,752</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 425,336	\$ -	\$ 907,196
Accrued liabilities	-	531	630,468	951,004
Due to other funds	-	-	-	146,537
Total Liabilities	<u>-</u>	<u>425,867</u>	<u>630,468</u>	<u>2,004,737</u>
Deferred Inflows of Resources				
Unavailable revenue- property taxes	-	-	5,715,602	5,715,602
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>5,715,602</u>	<u>5,715,602</u>
Fund Balances				
Nonspendable:				
Prepaid items	-	-	-	3,786
Restricted:				
Law library operations	-	-	-	494,949
Senior services	-	-	-	307,428
Public safety	-	-	-	449,622
Court services	-	-	-	1,445,526
Grant activities	-	-	-	475,154
Jail operations and construction	-	-	-	697,070
E911 operations	-	-	-	2,965,608
Health and welfare	-	-	-	647,624
Debt service	817,267	-	-	817,267
Impact fees	-	12,150,119	-	12,150,119
Committed:				
Jail and inmate services	-	-	-	507,172
Parks and recreation activities	-	-	-	462,005
Unassigned (deficit)	-	-	(138,917)	(138,917)
Total Fund Balances	<u>817,267</u>	<u>12,150,119</u>	<u>(138,917)</u>	<u>21,284,413</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 817,267</u>	<u>\$ 12,575,986</u>	<u>\$ 6,207,153</u>	<u>\$ 29,004,752</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2020

	Special Revenue Funds									
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	DUI Court	Victim/ Witness	Parks and Recreation	DA Confiscated Assets
Revenues										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alcoholic beverage taxes	-	-	-	-	-	-	-	-	1,172,092	-
Other taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	764,139	95,278	1,155,842	-	92,186	-	-	-
Fines and forfeitures	-	83,513	-	-	18,301	201,493	235,395	164,843	-	7,916
Charges for services	622,524	1,259	13,082	-	-	-	-	-	2,027,883	-
Investment income	-	2,699	-	-	-	3,756	-	-	-	-
Contributions	-	-	12,172	-	65,814	-	32,905	-	46,426	-
Other	-	-	2,921	4,386	-	-	-	-	16,931	-
Total Revenues	622,524	87,471	792,314	99,664	1,239,957	205,249	360,486	164,843	3,263,332	7,916
Expenditures										
Current:										
General government	-	-	-	-	124,609	-	-	-	-	-
Judicial	-	126,823	-	-	985,817	154,004	519,263	97,808	-	14,353
Public safety	790,762	-	-	150,844	567,230	-	-	-	-	-
Health and welfare	-	-	1,526,438	-	-	-	-	106,000	-	-
Culture and recreation	-	-	-	-	-	-	-	-	4,745,551	-
Housing and development	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	9,352	-	-	-	-	-	23,917	-
Interest	-	-	1,347	-	-	-	-	-	3,226	-
Total Expenditures	790,762	126,823	1,537,137	150,844	1,677,656	154,004	519,263	203,808	4,772,694	14,353
Excess (Deficiency) of Revenues Over (Under) Expenditures	(168,238)	(39,352)	(744,823)	(51,180)	(437,699)	51,245	(158,777)	(38,965)	(1,509,362)	(6,437)
Other Financing Sources (Uses)										
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	19,600	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	12,155	-	-	-	-	-	-
Transfers in	-	-	697,477	892	416,176	-	65,000	-	1,582,635	-
Transfers out	-	-	-	-	-	(69,292)	-	-	(150,000)	(892)
Total Other Financing Sources (Uses)	-	-	697,477	13,047	416,176	(69,292)	65,000	-	1,452,235	(892)
Net Change in Fund Balances	(168,238)	(39,352)	(47,346)	(38,133)	(21,523)	(18,047)	(93,777)	(38,965)	(57,127)	(7,329)
Fund Balances Beginning of Year	675,410	534,301	355,162	136,701	217,815	551,806	1,005,738	83,750	521,562	73,131
Fund Balances End of Year	\$ 507,172	\$ 494,949	\$ 307,816	\$ 98,568	\$ 196,292	\$ 533,759	\$ 911,961	\$ 44,785	\$ 464,435	\$ 65,802

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2020

	Special Revenue Funds								
	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	-	-	-	-	224,791	-	-	-	-
Intergovernmental	1,323,395	-	97,789	-	-	834,109	376,282	125,138	-
Fines and forfeitures	-	335,812	-	-	-	-	187,350	3,260	-
Charges for services	-	-	-	5,614,923	-	266,907	-	-	344,181
Investment income	-	5,225	-	20,519	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-
Other	-	156	-	-	-	-	-	-	-
Total Revenues	1,323,395	341,193	97,789	5,635,442	224,791	1,101,016	563,632	128,398	344,181
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	650,371	139,651	238,902
Public safety	-	715,755	104,089	6,214,085	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,305,683	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Housing and development	1,338,185	-	-	-	65,000	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	1,338,185	715,755	104,089	6,214,085	65,000	1,305,683	650,371	139,651	238,902
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,790)	(374,562)	(6,300)	(578,643)	159,791	(204,667)	(86,739)	(11,253)	105,279
Other Financing Sources (Uses)									
Proceeds from sale of capital assets	-	-	-	1,525	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	2,796	-	-	-
Transfers in	-	-	-	-	-	372,336	39,126	17,608	-
Transfers out	-	-	-	-	(159,791)	-	-	-	(65,000)
Total Other Financing Sources (Uses)	-	-	-	1,525	(159,791)	375,132	39,126	17,608	(65,000)
Net Change in Fund Balances	(14,790)	(374,562)	(6,300)	(577,118)	-	170,465	(47,613)	6,355	40,279
Fund Balances Beginning of Year	15,730	1,071,632	74,150	3,543,210	-	432,519	316,491	2,834	177,123
Fund Balances End of Year	\$ 940	\$ 697,070	\$ 67,850	\$ 2,966,092	\$ -	\$ 602,984	\$ 268,878	\$ 9,189	\$ 217,402

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2020

	Capital Projects Funds			Total
	Resource Recovery Development Authority	Impact Fees	Debt Service	
Revenues				
Property taxes	\$ -	\$ -	\$ 6,097,708	\$ 6,097,708
Alcoholic beverage taxes	-	-	-	1,172,092
Other taxes	-	-	-	224,791
Intergovernmental	-	273,301	-	5,137,459
Fines and forfeitures	-	-	-	1,237,883
Charges for services	-	2,158,311	-	11,049,070
Investment income	-	109,737	27,255	169,191
Contributions	-	-	-	157,317
Other	142,235	-	68,588	235,217
Total Revenues	142,235	2,541,349	6,193,551	25,480,728
Expenditures				
Current:				
General government	-	58,820	128,453	311,882
Judicial	-	-	-	2,926,992
Public safety	-	465,601	-	9,008,366
Health and welfare	-	-	-	2,938,121
Culture and recreation	-	-	-	4,745,551
Housing and development	-	-	-	1,403,185
Intergovernmental	-	100,000	-	100,000
Debt service:				
Principal	2,510,000	-	4,835,000	7,378,269
Interest	264,803	-	1,321,199	1,590,575
Total Expenditures	2,774,803	624,421	6,284,652	30,402,941
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,632,568)	1,916,928	(91,101)	(4,922,213)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	21,125
Insurance reimbursement	-	-	-	14,951
Transfers in	2,561,639	-	-	5,752,889
Transfers out	-	-	-	(444,975)
Total Other Financing Sources (Uses)	2,561,639	-	-	5,343,990
Net Change in Fund Balances	(70,929)	1,916,928	(91,101)	421,777
Fund Balances Beginning of Year	888,196	10,233,191	(47,816)	20,862,636
Fund Balances End of Year	\$ 817,267	\$ 12,150,119	\$ (138,917)	\$ 21,284,413

(THIS PAGE LEFT INTENTIONALLY BLANK)

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Sheriff's Commissary			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	600,000	622,524	622,524	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	600,000	622,524	622,524	-
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	600,000	790,761	790,762	(1)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	600,000	790,761	790,762	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(168,237)	(168,238)	(1)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	(168,237)	(168,238)	(1)
Fund Balances Beginning of Year	675,410	675,410	675,410	-
Fund Balances End of Year	\$ 675,410	\$ 507,173	\$ 507,172	\$ (1)

Law Library				Senior Services			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	751,080	1,025,104	764,139	(260,965)
114,500	114,500	83,513	(30,987)	-	-	-	-
4,000	4,000	1,259	(2,741)	26,750	26,750	13,082	(13,668)
5,000	5,000	2,699	(2,301)	-	-	-	-
-	-	-	-	10,000	12,000	12,172	172
-	-	-	-	-	-	2,921	2,921
123,500	123,500	87,471	(36,029)	787,830	1,063,854	792,314	(271,540)
-	-	-	-	-	-	-	-
123,500	126,822	126,823	(1)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,474,157	1,811,870	1,526,438	285,432
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	9,200	9,200	9,352	(152)
-	-	-	-	1,950	1,950	1,347	603
123,500	126,822	126,823	(1)	1,485,307	1,823,020	1,537,137	285,883
-	(3,322)	(39,352)	(36,030)	(697,477)	(759,166)	(744,823)	14,343
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	697,477	697,477	697,477	-
-	-	-	-	-	-	-	-
-	-	-	-	697,477	697,477	697,477	-
-	(3,322)	(39,352)	(36,030)	-	(61,689)	(47,346)	14,343
534,301	534,301	534,301	-	355,162	355,162	355,162	-
\$ 534,301	\$ 530,979	\$ 494,949	\$ (36,030)	\$ 355,162	\$ 293,473	\$ 307,816	\$ 14,343

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	140,000	150,844	95,278	(55,566)
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	4,386	4,386
Total revenues	140,000	150,844	99,664	(51,180)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	140,000	150,844	150,844	-
Health and welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	140,000	150,844	150,844	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(51,180)	(51,180)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	12,155	12,155
Transfers in	-	-	892	892
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	13,047	13,047
Net Change in Fund Balances	-	-	(38,133)	(38,133)
Fund Balances Beginning of Year	136,701	136,701	136,701	-
Fund Balances End of Year	\$ 136,701	\$ 136,701	\$ 98,568	\$ (38,133)

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		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
914,134	1,332,907	1,155,842	(177,065)	-	-	-	-
7,448	12,814	18,301	5,487	213,800	213,800	201,493	(12,307)
-	-	-	-	-	-	-	-
-	-	-	-	5,000	5,000	3,756	(1,244)
-	75,000	65,814	(9,186)	-	-	-	-
-	-	-	-	-	-	-	-
921,582	1,420,721	1,239,957	(180,764)	218,800	218,800	205,249	(13,551)
97,700	213,378	124,609	88,769	-	-	-	-
802,747	1,061,148	985,817	75,331	148,443	154,005	154,004	1
402,920	836,051	567,230	268,821	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,303,367	2,110,577	1,677,656	432,921	148,443	154,005	154,004	1
(381,785)	(689,856)	(437,699)	252,157	70,357	64,795	51,245	(13,550)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
334,085	477,228	416,176	(61,052)	-	-	-	-
-	-	-	-	(120,166)	(154,520)	(69,292)	85,228
334,085	477,228	416,176	(61,052)	(120,166)	(154,520)	(69,292)	85,228
(47,700)	(212,628)	(21,523)	191,105	(49,809)	(89,725)	(18,047)	71,678
217,815	217,815	217,815	-	551,806	551,806	551,806	-
\$ 170,115	\$ 5,187	\$ 196,292	\$ 191,105	\$ 501,997	\$ 462,081	\$ 533,759	\$ 71,678

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	DUI Court			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	87,674	87,674	92,186	4,512
Fines and forfeitures	393,883	393,883	235,395	(158,488)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	75,000	75,000	32,905	(42,095)
Other	-	-	-	-
Total revenues	556,557	556,557	360,486	(196,071)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	621,557	621,557	519,263	102,294
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	621,557	621,557	519,263	102,294
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,000)	(65,000)	(158,777)	(93,777)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	65,000	65,000	65,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	65,000	65,000	65,000	-
Net Change in Fund Balances	-	-	(93,777)	(93,777)
Fund Balances Beginning of Year	1,005,738	1,005,738	1,005,738	-
Fund Balances End of Year	\$ 1,005,738	\$ 1,005,738	\$ 911,961	\$ (93,777)

Victim/Witness				Parks and Recreation			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ 1,105,000	\$ 1,105,000	\$ 1,172,092	\$ 67,092
-	-	-	-	-	-	-	-
203,826	203,826	164,843	(38,983)	-	-	-	-
-	-	-	-	2,779,032	2,836,282	2,027,883	(808,399)
-	-	-	-	-	-	-	-
-	-	-	-	50,000	100,000	46,426	(53,574)
-	-	-	-	14,930	14,930	16,931	2,001
203,826	203,826	164,843	(38,983)	3,948,962	4,056,212	3,263,332	(792,880)
-	-	-	-	-	-	-	-
97,826	97,826	97,808	18	-	-	-	-
-	-	-	-	-	-	-	-
106,000	106,000	106,000	-	-	-	-	-
-	-	-	-	5,373,604	5,480,854	4,745,551	735,303
-	-	-	-	-	-	-	-
-	-	-	-	23,975	23,975	23,917	58
-	-	-	-	3,168	3,168	3,226	(58)
203,826	203,826	203,808	18	5,400,747	5,507,997	4,772,694	735,303
-	-	(38,965)	(38,965)	(1,451,785)	(1,451,785)	(1,509,362)	(57,577)
-	-	-	-	19,150	19,150	19,600	450
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,582,635	1,582,635	1,582,635	-
-	-	-	-	(150,000)	(150,000)	(150,000)	-
-	-	-	-	1,451,785	1,451,785	1,452,235	450
-	-	(38,965)	(38,965)	-	-	(57,127)	(57,127)
83,750	83,750	83,750	-	521,562	521,562	521,562	-
<u>\$ 83,750</u>	<u>\$ 83,750</u>	<u>\$ 44,785</u>	<u>\$ (38,965)</u>	<u>\$ 521,562</u>	<u>\$ 521,562</u>	<u>\$ 464,435</u>	<u>\$ (57,127)</u>

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	DA Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	35,000	35,000	7,916	(27,084)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	35,000	35,000	7,916	(27,084)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	35,000	35,000	14,353	20,647
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	35,000	35,000	14,353	20,647
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(6,437)	(6,437)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(892)	(892)
Total other financing sources (uses)	-	-	(892)	(892)
Net Change in Fund Balances	-	-	(7,329)	(7,329)
Fund Balances Beginning of Year	73,131	73,131	73,131	-
Fund Balances End of Year	\$ 73,131	\$ 73,131	\$ 65,802	\$ (7,329)

CDBG				Jail			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,598,836	2,335,021	1,323,395	(1,011,626)	-	-	335,812	(59,188)
-	-	-	-	395,000	395,000	-	-
-	-	-	-	-	-	5,225	(2,775)
-	-	-	-	8,000	8,000	-	-
-	-	-	-	-	-	156	156
1,598,836	2,335,021	1,323,395	(1,011,626)	403,000	403,000	341,193	(61,807)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	335,363	715,753	715,755	(2)
-	-	-	-	-	-	-	-
1,598,836	2,335,021	1,338,185	996,836	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,598,836	2,335,021	1,338,185	996,836	335,363	715,753	715,755	(2)
-	-	(14,790)	(14,790)	67,637	(312,753)	(374,562)	(61,809)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(14,790)	(14,790)	67,637	(312,753)	(374,562)	(61,809)
15,730	15,730	15,730	-	1,071,632	1,071,632	1,071,632	-
\$ 15,730	\$ 15,730	\$ 940	\$ (14,790)	\$ 1,139,269	\$ 758,879	\$ 697,070	\$ (61,809)

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Sheriff's Forfeiture			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	75,000	97,789	97,789	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	75,000	97,789	97,789	-
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	75,000	104,089	104,089	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	75,000	104,089	104,089	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(6,300)	(6,300)	-
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	(6,300)	(6,300)	-
Fund Balances Beginning of Year	74,150	74,150	74,150	-
Fund Balances End of Year	\$ 74,150	\$ 67,850	\$ 67,850	\$ -

E-911				Hotel/Motel Tax			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ 207,000	\$ 224,791	\$ 224,791	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
7,400,000	7,400,000	5,614,923	(1,785,077)	-	-	-	-
25,000	25,000	20,519	(4,481)	-	-	-	-
-	-	-	-	-	-	-	-
500	500	-	(500)	-	-	-	-
7,425,500	7,425,500	5,635,442	(1,790,058)	207,000	224,791	224,791	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,517,706	6,214,085	6,214,085	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	65,000	65,000	65,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,517,706	6,214,085	6,214,085	-	65,000	65,000	65,000	-
1,907,794	1,211,415	(578,643)	(1,790,058)	142,000	159,791	159,791	-
-	-	1,525	1,525	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(142,000)	(159,791)	(159,791)	-
-	-	1,525	1,525	(142,000)	(159,791)	(159,791)	-
1,907,794	1,211,415	(577,118)	(1,788,533)	-	-	-	-
3,543,210	3,543,210	3,543,210	-	-	-	-	-
<u>\$ 5,451,004</u>	<u>\$ 4,754,625</u>	<u>\$ 2,966,092</u>	<u>\$ (1,788,533)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Transportation			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	582,178	582,178	834,109	251,931
Fines and forfeitures	-	-	-	-
Charges for services	570,541	570,541	266,907	(303,634)
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	1,152,719	1,152,719	1,101,016	(51,703)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	1,587,730	1,587,730	1,305,683	282,047
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,587,730	1,587,730	1,305,683	282,047
Excess (Deficiency) of Revenues Over (Under) Expenditures	(435,011)	(435,011)	(204,667)	230,344
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	2,796	2,796
Transfers in	435,011	435,011	372,336	(62,675)
Transfers out	-	-	-	-
Total other financing sources (uses)	435,011	435,011	375,132	(59,879)
Net Change in Fund Balances	-	-	170,465	170,465
Fund Balances Beginning of Year	432,519	432,519	432,519	-
Fund Balances End of Year	\$ 432,519	\$ 432,519	\$ 602,984	\$ 170,465

Drug Accountability Court				Mental Health Court			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
279,095	391,884	376,282	(15,602)	100,311	118,905	125,138	6,233
125,589	126,589	187,350	60,761	3,140	3,140	3,260	120
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
404,684	518,473	563,632	45,159	103,451	122,045	128,398	6,353
-	-	-	-	-	-	-	-
600,655	748,798	650,371	98,427	121,059	139,653	139,651	2
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
600,655	748,798	650,371	98,427	121,059	139,653	139,651	2
(195,971)	(230,325)	(86,739)	143,586	(17,608)	(17,608)	(11,253)	6,355
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
90,000	124,354	39,126	(85,228)	17,608	17,608	17,608	-
-	-	-	-	-	-	-	-
90,000	124,354	39,126	(85,228)	17,608	17,608	17,608	-
(105,971)	(105,971)	(47,613)	58,358	-	-	6,355	6,355
316,491	316,491	316,491	-	2,834	2,834	2,834	-
\$ 210,520	\$ 210,520	\$ 268,878	\$ 58,358	\$ 2,834	\$ 2,834	\$ 9,189	\$ 6,355

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Drug Screening Lab			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	371,332	371,332	344,181	(27,151)
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	371,332	371,332	344,181	(27,151)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	306,332	306,332	238,902	67,430
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	306,332	306,332	238,902	67,430
Excess (Deficiency) of Revenues Over (Under) Expenditures	65,000	65,000	105,279	40,279
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(65,000)	(65,000)	(65,000)	-
Total other financing sources (uses)	(65,000)	(65,000)	(65,000)	-
Net Change in Fund Balances	-	-	40,279	40,279
Fund Balances Beginning of Year	177,123	177,123	177,123	-
Fund Balances End of Year	\$ 177,123	\$ 177,123	\$ 217,402	\$ 40,279

(THIS PAGE LEFT INTENTIONALLY BLANK)

Cherokee County, Georgia
Capital Projects Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Resource Recovery Development Authority			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment income	-	-	-	-
Other	142,236	142,236	142,235	(1)
Total revenues	142,236	142,236	142,235	(1)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Intergovernmental	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,510,000	2,510,000	2,510,000	-
Interest and fiscal charges	193,875	264,803	264,803	-
Total expenditures	2,703,875	2,774,803	2,774,803	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,561,639)	(2,632,567)	(2,632,568)	(1)
Other Financing Sources (Uses)				
Transfers in	2,561,639	2,561,639	2,561,639	-
Transfers out	-	-	-	-
Total other financing sources (uses)	2,561,639	2,561,639	2,561,639	-
Net Change in Fund Balances	-	(70,928)	(70,929)	(1)
Fund Balances Beginning of Year	888,196	888,196	888,196	-
Fund Balances End of Year	\$ 888,196	\$ 817,268	\$ 817,267	\$ (1)

Impact Fees			
Budget		Actual	Variance With Final Budget
Original Budget	Final Budget		
\$ 254,520	\$ 254,520	\$ 273,301	\$ 18,781
1,586,758	1,586,758	2,158,311	571,553
202,446	202,446	109,737	(92,709)
-	-	-	-
2,043,724	2,043,724	2,541,349	497,625
48,411	97,761	58,820	38,941
-	-	-	-
-	474,606	465,601	9,005
250,000	250,000	100,000	150,000
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
298,411	822,367	624,421	197,946
1,745,313	1,221,357	1,916,928	695,571
-	-	-	-
(2,000,000)	(2,000,000)	-	2,000,000
(2,000,000)	(2,000,000)	-	2,000,000
(254,687)	(778,643)	1,916,928	2,695,571
10,233,191	10,233,191	10,233,191	-
<u>\$ 9,978,504</u>	<u>\$ 9,454,548</u>	<u>\$ 12,150,119</u>	<u>\$ 2,695,571</u>

Cherokee County, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2020

	Debt Service			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ 6,015,933	\$ 6,015,933	\$ 6,097,708	\$ 81,775
Investment income	-	-	27,255	27,255
Other	150,000	150,000	68,588	(81,412)
Total revenues	6,165,933	6,165,933	6,193,551	27,618
Expenditures				
Current:				
General government	148,150	148,150	128,453	19,697
Debt service:				
Principal	4,835,000	4,835,000	4,835,000	-
Interest and fiscal charges	1,380,365	1,380,365	1,321,199	59,166
Total expenditures	6,363,515	6,363,515	6,284,652	78,863
Net Change in Fund Balances	(197,582)	(197,582)	(91,101)	106,481
Fund Balances Beginning of Year	(47,816)	(47,816)	(47,816)	-
Fund Balances End of Year	\$ (245,398)	\$ (245,398)	\$ (138,917)	\$ 106,481

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2020

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods	Current Fiscal Year	Total
2005					
Special Local Option Sales Tax V	\$ 225,000,000	\$ 184,062,661	\$ 182,337,579	\$ -	\$ 182,337,579
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
			<u>39,705,293</u>	-	<u>39,705,293</u>
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			50,901,301	-	50,901,301
Park & recreation facility			11,767,943	-	11,767,943
Library facility & books			1,940,307	-	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
			<u>20,082,413</u>	-	<u>20,082,413</u>
Total SPLOST funded expenditures			<u>\$ 182,337,579</u>	<u>\$ -</u>	<u>\$ 182,337,579</u>

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2020

	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	\$ 172,932,069	\$ 14,762,457	\$ 187,694,526
2012 Projects:					
City of Ball Ground			\$ 2,314,109	\$ -	\$ 2,314,109
City of Canton			19,400,852	-	19,400,852
City of Holly Springs			7,528,929	-	7,528,929
City of Mountain Park			7,176	-	7,176
City of Nelson			807,247	-	807,247
City of Walesa			1,973,271	-	1,973,271
City of Woodstock			19,756,042	-	19,756,042
Cherokee County Airport Authority			4,804,864	18,988	4,823,852
Development Authority of Cherokee County			6,482,901	-	6,482,901
Total intergovernmental			63,075,391	18,988	63,094,379
ALS units			2,280,002	-	2,280,002
Animal control			193,409	-	193,409
Animal shelter renovation			3,165,370	-	3,165,370
City of Canton Fire Station			919,957	3,377,435	4,297,392
Courthouse expansion			1,450,000	-	1,450,000
E-911			2,965,019	-	2,965,019
Fire training facility			1,500,000	-	1,500,000
Fire/EMS			11,351,232	-	11,351,232
Fleet building			22,054	295,400	317,454
Jail expansion/enhancements			12,854,273	4,099,125	16,953,398
Marshal			256,591	-	256,591
Parks Recreation Center			42,151	293,752	335,903
Probation Office			331,297	-	331,297
Senior center			294,256	1,291,081	1,585,337
Sheriff			2,505,152	-	2,505,152
Sheriff training facility			1,879,662	-	1,879,662
Transportation facility & equipment			67,846,253	5,386,676	73,232,929
Total SPLOST funded expenditures			\$ 172,932,069	\$ 14,762,457	\$ 187,694,526
Expenditures funded by DOT Revenue				406,332	
Transportation expenditures funded by miscellaneous revenue				154,400	
Total expenditures				\$ 15,323,189	

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2020

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods	Current Fiscal Year	Total
2018					
Special Local Option Sales Tax VII	\$ 252,961,892	\$ 252,961,892	\$ 36,878,965	\$ 51,990,953	\$ 88,869,918
2018 Projects:					
City of Ball Ground			\$ 628,611	\$ 568,726	\$ 1,197,337
City of Canton			5,092,240	4,607,118	9,699,358
City of Holly Springs			2,173,340	1,966,292	4,139,632
City of Mountain Park			25,000	-	25,000
City of Nelson			219,283	198,393	417,676
City of Walesa			536,025	484,960	1,020,985
City of Woodstock			5,969,372	5,400,689	11,370,061
Cherokee County Airport Authority Economic Development			569,285	190,069	759,354
			-	2,919,906	2,919,906
Total intergovernmental			15,213,156	16,336,153	31,549,309
CATS			20,416	-	20,416
Courthouse facilities, equipment, improvements, and expansion			42,251	576,494	618,745
Fire/Emergency Services facilities, vehicles, and equipment			7,968,125	998,260	8,966,385
Animal Control and County Marshal vehicles and equipment			2,206,990	2,765,142	4,972,132
Emergency communication center and system improvements			602,191	27,725	629,916
Jail expansion/enhancements			-	18,068,743	18,068,743
Marshal			70,310	230,578	300,888
Parks and Recreation facilities, equipment, and improvements			1,247,283	263,881	1,511,164
Law enforcement vehicles, equipment and facilities			512,172	2,474,413	2,986,585
Transportation facility and equipment			8,996,071	10,249,564	19,245,635
Total SPLOST funded expenditures			\$ 36,878,965	\$ 51,990,953	\$ 88,869,918
Expenditures funded by:					
DOT Revenue				2,801,135	
Transportation miscellaneous revenue				221,323	
City's reimbursement for Radio Project				318,199	
Total expenditures				\$ 55,331,610	

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, 2020

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Assets			
Current assets			
Receivables, net of allowance	\$ -	\$ 867,471	\$ 867,471
Inventories	232,530	-	232,530
Prepaid items	73	-	73
Total current assets	<u>232,603</u>	<u>867,471</u>	<u>1,100,074</u>
Noncurrent assets			
Capital assets, net of depreciation	<u>227,712</u>	<u>-</u>	<u>227,712</u>
Total assets	<u>460,315</u>	<u>867,471</u>	<u>1,327,786</u>
Deferred Outflows of Resources			
Deferred outflows relating to pension	<u>367,320</u>	<u>-</u>	<u>367,320</u>
Total deferred outflows of resources	<u>367,320</u>	<u>-</u>	<u>367,320</u>
Liabilities			
Current liabilities			
Accounts payable	64,070	387,725	451,795
Accrued liabilities	24,498	11,410	35,908
Due to other funds	165,299	230,584	395,883
Compensated absences, due within one year	13,423	-	13,423
Total current liabilities	<u>267,290</u>	<u>629,719</u>	<u>897,009</u>
Long-term Liabilities (net of current portion)			
Compensated absences, due in more than one year	31,321	-	31,321
Net pension liability	682,013	-	682,013
Total long-term liabilities	<u>713,334</u>	<u>-</u>	<u>713,334</u>
Total Liabilities	<u>980,624</u>	<u>629,719</u>	<u>1,610,343</u>
Deferred Inflows of Resources			
Deferred inflows relating to pension	<u>38,693</u>	<u>-</u>	<u>38,693</u>
Total deferred inflows of resources	<u>38,693</u>	<u>-</u>	<u>38,693</u>
Net Position			
Investment in capital assets	227,712	-	227,712
Unrestricted (deficit)	<u>(419,394)</u>	<u>237,752</u>	<u>(181,642)</u>
Total Net Position	<u>\$ (191,682)</u>	<u>\$ 237,752</u>	<u>\$ 46,070</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2020

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 1,673,226	\$ 19,401,743	\$ 21,074,969
Miscellaneous revenue	51	2,006,263	2,006,314
Total operating revenues	<u>1,673,277</u>	<u>21,408,006</u>	<u>23,081,283</u>
Operating Expenses			
Personal services and employee benefits	925,598	174,699	1,100,297
Contractual services	39,436	1,924,860	1,964,296
Claims paid	-	19,397,533	19,397,533
Supplies	733,457	-	733,457
Depreciation	23,636	-	23,636
Total Operating Expenses	<u>1,722,127</u>	<u>21,497,092</u>	<u>23,219,219</u>
Change in net position	(48,850)	(89,086)	(137,936)
Net Position (Deficit) Beginning of Year	<u>(142,832)</u>	<u>326,838</u>	<u>184,006</u>
Net Position (Deficit) End of Year	<u>\$ (191,682)</u>	<u>\$ 237,752</u>	<u>\$ 46,070</u>

Cherokee County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2020

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Receipts from other funds	\$ 1,676,593	\$ 21,172,349	\$ 22,848,942
Payments to employees	(900,383)	(174,699)	(1,075,082)
Payments to suppliers for services provided	<u>(776,210)</u>	<u>(21,329,095)</u>	<u>(22,105,305)</u>
Net Cash Provided by (Used in) Operating Activities	<u>-</u>	<u>(331,445)</u>	<u>(331,445)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	(331,445)	(331,445)
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>331,445</u>	<u>331,445</u>
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ (48,850)	\$ (89,086)	\$ (137,936)
Adjustments -			
Depreciation	23,636	-	23,636
(Increase) Decrease in:			
Accounts receivable	-	(466,241)	(466,241)
Prepaid items	(37)	-	(37)
Inventories	(42,120)	-	(42,120)
Deferred outflows of resources	1,588	-	1,588
Increase (Decrease) in:			
Accounts payable	31,336	42,182	73,518
Accrued expenses	7,504	(48,884)	(41,380)
Due to other funds	3,316	230,584	233,900
Compensated absences payable	(36,637)	-	(36,637)
Net pension liability	46,863	-	46,863
Deferred inflows of resources	<u>13,401</u>	<u>-</u>	<u>13,401</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ -</u>	<u>\$ (331,445)</u>	<u>\$ (331,445)</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, 2020

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
Tax Commissioner				
Assets				
Cash	\$ 12,513,196	\$ 293,369,491	\$ 295,114,854	\$ 10,767,833
Taxes and other receivables	255,633,487	278,186,534	258,498,475	275,321,546
Total assets	\$ 268,146,683	\$ 571,556,025	\$ 553,613,329	\$ 286,089,379
Liabilities				
Due to others	\$ 12,513,196	\$ 293,369,491	\$ 295,114,854	\$ 10,767,833
Taxes payable to others upon completion	255,633,487	278,186,534	258,498,475	275,321,546
Total Liabilities	\$ 268,146,683	\$ 571,556,025	\$ 553,613,329	\$ 286,089,379
Probate Court				
Assets				
Cash	\$ 80,338	\$ 1,927,249	\$ 1,954,335	\$ 53,252
Liabilities				
Due to others	\$ 80,338	\$ 1,927,249	\$ 1,954,335	\$ 53,252
Juvenile Court				
Assets				
Cash	\$ 1,426	\$ 84,638	\$ 85,058	\$ 1,006
Liabilities				
Due to others	\$ 1,426	\$ 84,638	\$ 85,058	\$ 1,006
Clerk of Superior Court				
Assets				
Cash	\$ 7,963,722	\$ 28,107,936	\$ 24,108,709	\$ 11,962,949
Liabilities				
Due to others	\$ 7,963,722	\$ 28,107,936	\$ 24,108,709	\$ 11,962,949

Cherokee County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2020

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
Clerk of State Court				
Assets				
Cash	\$ 52,294	\$ 2,155,643	\$ 2,161,350	\$ 46,587
Liabilities				
Due to others	\$ 52,294	\$ 2,155,643	\$ 2,161,350	\$ 46,587
Sheriff				
Assets				
Cash	\$ 388,302	\$ 2,739,821	\$ 2,721,987	\$ 406,136
Liabilities				
Due to others	\$ 388,302	\$ 2,739,821	\$ 2,721,987	\$ 406,136
Total Agency Funds				
Assets				
Cash	\$ 20,999,278	\$ 328,384,778	\$ 326,146,293	\$ 23,237,763
Taxes and other receivables	255,633,487	278,186,534	258,498,475	275,321,546
Total assets	\$ 276,632,765	\$ 606,571,312	\$ 584,644,768	\$ 298,559,309
Liabilities				
Due to others	\$ 20,999,278	\$ 328,384,778	\$ 326,146,293	\$ 23,237,763
Uncollected taxes	255,633,487	278,186,534	258,498,475	275,321,546
Total Liabilities	\$ 276,632,765	\$ 606,571,312	\$ 584,644,768	\$ 298,559,309

Cherokee County, Georgia
Combining Statement of Assets and Liabilities
Agency Funds
September 30, 2020

	<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	\$ 10,767,833	\$ 53,252	\$ 1,006	\$ 11,962,949	\$ 46,587	\$ 406,136	\$ 23,237,763
Taxes and other receivables	<u>275,321,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,321,546</u>
Total assets	<u>\$ 286,089,379</u>	<u>\$ 53,252</u>	<u>\$ 1,006</u>	<u>\$ 11,962,949</u>	<u>\$ 46,587</u>	<u>\$ 406,136</u>	<u>\$ 298,559,309</u>
Liabilities							
Due to others	\$ 10,767,833	\$ 53,252	\$ 1,006	\$ 11,962,949	\$ 46,587	\$ 406,136	23,237,763
Taxes payable to others upon completion	<u>275,321,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,321,546</u>
Total liabilities	<u>\$ 286,089,379</u>	<u>\$ 53,252</u>	<u>\$ 1,006</u>	<u>\$ 11,962,949</u>	<u>\$ 46,587</u>	<u>\$ 406,136</u>	<u>\$ 298,559,309</u>

Development Authority of Cherokee County
Balance Sheet
September 30, 2020

Assets	
Cash	\$ 5,333,195
Accounts receivable, net of allowance	37,372
Prepaid items	15,151
Due from other governments	<u>122,780</u>
Total Assets	<u><u>\$ 5,508,498</u></u>
 Liabilities and Fund Balance	
Liabilities	
Accounts payable	\$ 417
Accrued liabilities	<u>1,960</u>
Total Liabilities	<u>2,377</u>
 Fund Balances	
Nonspendable:	
Prepaid items	15,151
Unassigned	<u>5,490,970</u>
Total Fund Balances	<u>5,506,121</u>
Total Liabilities and Fund Balances	<u><u>\$ 5,508,498</u></u>

Development Authority of Cherokee County
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended September 30, 2020

<hr/> <hr/>	
Revenues	
Intergovernmental	\$ 3,384,873
Charges for services	182,791
Investment earnings	7,991
Contributions	<u>12,000</u>
 Total revenues	 <u>3,587,655</u>
 Expenditures	
Current:	
Housing and development	<u>1,677,629</u>
 Total expenditures	 <u>1,677,629</u>
 Excess (deficiency) of revenues over expenditures	 <u>1,910,026</u>
 Other Financing Sources	
Proceeds from sale of capital assets	<u>2,870,362</u>
 Total other financing sources	 <u>2,870,362</u>
 Net change in fund balances	 4,780,388
 Fund balances, beginning of year	 <u>725,733</u>
 Fund balances, end of year	 <u><u>\$ 5,506,121</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**

	2011	2012*	2013	2014 (Restated)	2015 (Restated)	2016	2017 (Restated)	2018	2019	2020
Governmental Activities										
Invested in Capital Assets, net of related debt	\$ 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	\$ 890,109,271	\$ 897,381,194
Restricted	58,696,018	37,575,187	40,740,963	58,032,098	70,835,182	66,862,941	72,445,758	91,308,466	84,720,012	79,175,902
Unrestricted	9,944,894	(2,686,819)	1,297,716	(37,525,057)	(32,930,747)	(18,434,202)	(22,314,619)	(17,064,234)	(20,918,390)	(26,911,255)
Total Governmental Activities Net Position	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	953,910,893	949,645,841
Business type Activities										
Invested in Capital Assets, net of related debt	630,863	1,168,482	2,076,797	1,894,919	2,345,249	3,863,389	3,429,582	3,075,471	2,563,684	3,523,689
Unrestricted	870,092	1,315,162	1,145,475	(818,727)	(227,478)	(536,760)	(838,779)	(365,423)	(997,572)	(1,839,300)
Total Business-type Activities Net Position	1,500,955	2,483,644	3,222,272	1,076,192	2,117,771	3,326,629	2,590,803	2,710,048	1,566,112	1,684,389
Primary Government										
Invested in Capital Assets, net of related debt	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	892,672,955	900,904,883
Restricted	58,696,018	37,575,187	40,740,963	58,032,098	70,835,182	66,862,941	72,445,758	91,308,466	84,720,012	79,175,902
Unrestricted	10,814,986	(1,371,657)	2,443,191	(38,343,784)	(33,158,225)	(18,970,962)	(23,153,398)	(17,429,657)	(21,915,962)	(28,750,555)
Total Primary Government Net Position	\$ 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	\$ 955,477,005	\$ 951,330,230

*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 FISCAL YEARS
(accrual basis of accounting)

	2011	2012*	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental Activities:										
General government	\$ 11,709,843	\$ 9,829,282	\$ 11,635,706	\$ 13,648,434	\$ 18,207,140	\$ 12,557,749	\$ 12,945,417	\$ 15,715,319	\$ 16,659,738	\$ 17,857,668
Judicial	12,131,482	8,616,641	13,835,827	14,948,452	15,621,410	16,970,402	17,268,050	18,869,843	20,674,564	20,658,488
Public safety	53,392,268	41,852,318	54,866,533	66,301,619	65,843,729	76,378,948	75,658,791	77,095,202	89,155,566	100,192,828
Public works	48,284,482	37,963,267	56,681,654	60,306,683	64,397,596	46,782,022	63,577,287	65,092,255	50,675,655	73,366,584
Health and welfare	4,954,955	3,447,163	2,838,434	3,142,104	2,906,259	3,053,838	3,158,570	3,114,939	3,133,627	3,761,410
Culture and recreation	4,287,850	4,692,484	7,017,212	9,891,955	10,098,987	18,747,709	12,856,023	11,689,724	11,579,026	11,351,369
Housing and development	3,656,342	2,328,961	3,511,156	4,262,749	5,543,535	7,392,892	5,137,977	4,964,615	6,235,888	9,026,144
Interest on long-term debt	3,411,397	2,975,088	3,094,823	3,175,274	3,432,595	6,089,835	2,454,683	2,544,025	1,628,200	1,568,839
Total Governmental Activities	141,828,619	111,705,204	153,481,345	175,637,270	186,051,251	187,972,495	193,056,798	198,585,922	219,595,264	237,783,330
Business-type Activities:										
Emergency medical services	6,678,161	5,516,951	7,190,391	8,157,167	5,446,416	6,570,402	7,138,412	6,764,789	9,006,677	9,842,932
Conference center	326,115	264,837	373,815	361,476	372,621	538,245	482,077	413,617	437,894	432,137
Total Business-type Activities	7,004,276	5,781,788	7,564,206	8,518,643	5,819,037	7,108,647	7,620,489	7,178,406	9,444,571	10,275,069
Total Primary Government	148,832,895	117,486,992	161,045,551	184,155,913	191,870,288	195,081,142	200,677,287	205,764,328	229,039,835	248,058,399
Program Revenues										
Governmental Activities										
Charges for services	4,539,020	1,289,956	4,213,565	4,508,343	4,643,693	7,076,481	7,748,614	8,392,216	8,242,137	8,814,094
General government	6,815,386	5,036,242	6,463,373	5,901,186	6,168,531	6,229,489	6,145,266	6,640,444	6,329,063	6,111,741
Judicial	6,407,070	5,074,468	7,123,356	7,376,078	7,515,011	8,286,895	6,964,068	7,086,267	6,800,472	6,782,372
Public safety	1,779,098	1,581,672	3,055,124	2,718,762	3,079,966	4,247,236	4,098,942	4,050,318	4,856,480	5,290,544
Health and welfare	373,474	252,392	347,365	388,944	370,917	370,667	375,965	447,115	462,406	279,989
Culture and recreation	1,327,358	805,077	2,148,818	2,475,950	2,372,768	2,522,876	2,435,024	2,642,372	2,693,184	2,027,883
Housing and development	902,726	1,086,243	1,656,272	1,800,287	2,293,281	-	-	-	-	-
Operating grants and contributions	5,005,625	3,615,337	3,896,743	2,885,090	3,952,156	5,928,258	7,863,466	10,394,030	11,646,950	21,390,360
Capital grants and contributions	11,517,533	4,441,711	9,860,301	10,000,879	13,326,159	15,954,463	9,448,098	14,956,582	23,761,335	16,920,257
Total Governmental Activities	38,667,290	23,183,098	38,764,917	38,055,519	43,722,482	50,616,385	45,079,443	54,609,344	64,792,027	67,617,150
Business-type Activities:										
Emergency medical services:										
Charges for services	6,383,784	5,338,425	6,088,439	7,234,561	3,909,969	4,997,112	5,317,687	4,701,126	5,218,955	5,318,581
Operating grants and contributions	-	-	6,750	21,577	-	-	-	-	-	134,153
Capital grants and contributions	-	12,000	50,000	-	-	42,165	14,121	34,522	18,600	-
Conference Center:										
Charges for services	13,638	14,610	18,874	15,200	16,243	344,779	328,853	294,515	286,018	210,103
Operating grants and contributions	21,000	-	96,000	21,000	21,000	21,000	21,000	21,000	63,000	-
Total Business-type Activities	6,418,422	5,365,035	6,260,063	7,292,338	3,947,212	5,405,056	5,681,661	5,051,163	5,586,573	5,662,837
Total Primary Government	45,085,712	28,548,133	45,024,980	45,347,857	47,669,694	56,021,421	50,761,104	59,660,507	70,378,600	73,279,987
Net (Expenses) Revenue										
Governmental Activities	(103,161,329)	(88,522,106)	(114,716,428)	(137,581,751)	(142,328,769)	(137,356,130)	(147,977,355)	(143,976,578)	(154,803,237)	(170,166,180)
Business-type Activities	(585,854)	(416,753)	(1,304,143)	(1,226,305)	(1,871,825)	(1,703,591)	(1,938,828)	(2,127,243)	(3,857,998)	(4,612,232)
Total Primary Government Net Expense	(103,747,183)	(88,938,859)	(116,020,571)	(138,808,056)	(144,200,594)	(139,059,721)	(149,916,183)	(146,103,821)	(158,661,235)	(174,778,412)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property taxes	61,718,917	6,561,293	68,302,401	70,725,619	76,101,797	81,038,620	85,278,009	90,179,813	95,779,959	105,048,375
Alcoholic beverage taxes	870,637	751,958	971,691	989,887	1,029,826	1,056,462	1,090,198	1,102,518	1,124,537	1,172,092
Vehicle taxes	1,587,195	1,377,748	1,845,500	1,934,924	2,064,581	2,283,347	2,690,800	2,617,895	2,616,478	2,649,868
Sales taxes	29,288,708	22,705,059	30,239,488	31,690,072	33,980,669	35,173,128	36,606,236	38,959,919	43,574,063	47,920,585
Insurance premium taxes	6,508,474	6,953,110	7,226,640	7,615,040	8,166,299	8,689,185	9,300,914	10,029,142	10,720,235	11,380,706
Other taxes	116,728	107,240	154,289	180,523	210,530	207,340	214,232	211,797	338,415	224,791
Miscellaneous revenues	2,537,155	467,149	3,182,618	2,275,918	7,140,853	1,870,842	1,554,392	1,769,508	1,722,368	1,208,500
Unrestricted investment earnings	42,501	30,406	33,754	99,927	129,993	261,309	513,058	1,036,245	1,938,331	1,026,720
Gain/(loss) on sale of capital assets	-	(9,545,264)	-	-	-	-	-	127,757	-	-
Loss on capital lease receivable	-	-	-	-	-	-	-	-	-	-
Transfers	(974,732)	(1,025,243)	(1,703,915)	(922,665)	(2,639,990)	(2,908,449)	(1,581,823)	(2,246,488)	(2,970,473)	(4,730,509)
Total Governmental Activities	101,695,583	28,383,456	110,252,466	114,600,245	126,184,558	127,671,784	135,666,016	143,788,106	154,843,913	165,901,128
Business-type Activities										
Insurance premium taxes	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	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	974,732	1,025,243	1,703,915	922,665	2,639,990	2,908,449	1,581,823	2,246,488	2,970,473	4,730,509
Total Business-type Activities	1,235,553	1,399,442	2,042,771	1,203,718	2,913,404	2,912,449	1,581,823	2,246,488	2,970,473	4,730,509
Total Primary Government	102,931,136	29,782,898	112,295,237	115,803,963	129,097,962	130,584,233	137,247,839	146,034,594	157,814,386	170,631,637
Change in Net Position										
Governmental Activities	(1,465,746)	(60,138,650)	(4,463,967)	(22,981,506)	(16,144,211)	(9,684,346)	(12,311,339)	(188,472)	40,676	(4,265,052)
Business-type Activities	649,699	982,689	738,628	(22,587)	1,041,579	1,208,858	(337,005)	119,245	(887,525)	118,277
Total Primary Government	(816,047)	(59,155,961)	(3,725,339)	(23,003,083)	(15,102,632)	(8,475,488)	(12,668,344)	(69,227)	(846,849)	(4,146,775)
Net Position, beginning of year, as restated	1,121,006,214	1,120,047,262	1,060,891,301	1,020,753,922	998,145,768	983,043,136	974,567,648	956,649,492	956,323,854	955,477,005
Net Position, end of year	\$ 1,120,190,167	\$ 1,060,891,301	\$ 1,057,165,967	\$ 997,749,829	\$ 983,043,136	\$ 974,567,648	\$ 961,899,304	\$ 956,323,854	\$ 955,477,005	\$ 951,330,230

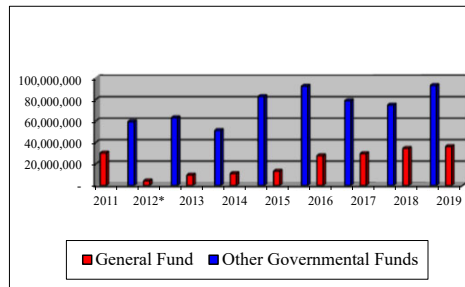
*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.
(1) During the fiscal year ended September 30, 2015 the County received approximately \$4 million from the Cherokee County Development Authority from the proceeds from land sales.
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.
Fiscal Year 2019 was restated for overstated accounts receivable.

CHEROKEE COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2011	2012*	2013	2014	Restated 2015	2016	Restated 2017	2018	2019	2020
General Fund										
Nonspendable:										
Prepays	\$ 199,244	\$ 163,748	\$ 100,272	\$ 72,645	\$ 75,669	\$ 277,606	\$ 265,642	\$ 301,379	\$ 285,958	\$ 26,625
Advances from other funds	-	-	-	-	-	500,000	-	-	-	-
Inventory	5,380	5,134	16,432	36,614	16,757	5,349	37,466	-	107,553	-
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	35,850,079	45,333,674
Total General Fund	30,191,445	4,374,515	9,802,188	11,147,035	13,386,259	27,715,202	29,669,007	34,561,122	36,243,590	45,360,299
All Other Governmental Funds										
Nonspendable:										
Prepays	682,020	446,502	414,632	342,438	351,894	362,125	334,485	288,317	29,057	43,720
Advances from Other Funds	-	-	-	-	500,000	-	-	-	-	-
Inventory	-	-	-	-	395,939	804,091	517,017	469,441	447,349	401,510
Restricted:										
Law library operations	604,546	627,713	642,423	657,910	590,095	561,679	585,268	541,706	534,301	494,949
Senior services	8,029	58,266	46,352	16,310	20,175	26,895	146,606	267,868	353,268	307,428
Public safety	1,066,488	1,171,253	1,157,181	338,761	152,787	90,165	191,819	138,229	210,851	449,622
Court services	-	-	-	532,700	1,320,763	1,501,402	1,638,143	1,656,796	1,807,701	1,445,526
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	56,958,160	38,557,102
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	552,798	475,154
Jail operation and maintenance	1,631,370	1,012,584	986,710	1,011,153	1,020,298	771,302	826,431	954,356	1,071,632	697,070
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	3,542,593	2,965,608
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	1,876,478.0	2,172,816
Impact fees - fire projects	57,176	154,133	668,982	782,975	947,438	1,540,006	636,141	787,154	920,319.0	1,286,557
Impact fees - park projects	621,285	669,924	860,450	457,013	709,959	896,405	420,846	735,347	1,048,794.0	1,441,401
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	3,532,319.0	2,295,355
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	2,093,348.0	3,906,198
Impact fees - administration projects	429,397	446,199	151,215	344,958	383,851	351,507	400,549	433,907	490,980.0	500,204
Impact fees - Canton fire stations	-	-	-	-	-	583,713	636,098	287,735	270,953.0	547,587
Health and welfare	-	26,131	9,173	-	89,290	179,445	130,742	329,680	516,196	647,624
Debt service	8,526,268	7,969,618	769,088	1,302,487	700,780	180,029	712,020	853,983	888,196	817,267
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	6,160,172	9,563,797
Committed:										
Jail and inmate services	45,979	65,301	24,386	29,637	51,919	243,618	453,562	642,412	675,410	507,172
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	512,741	462,005
Unassigned	(203,234)	(32,384)	(27,666)	(7,652)	(2,891)	(178)	-	-	(47,816)	(138,917)
Total All Other Governmental Funds	59,454,060	63,061,902	51,289,259	82,767,835	92,389,616	78,865,736	74,860,854	93,020,283	84,445,800	69,846,756
Total All Governmental Funds	\$ 89,645,505	\$ 67,436,417	\$ 61,091,447	\$ 93,914,870	\$ 105,775,875	\$ 106,580,938	\$ 104,529,861	\$ 127,581,405	\$ 120,689,390	\$ 115,207,055

NOTE: The County implemented GASB 54 effective January 1, 2011.
 * 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: Animal Services Fund was moved to be included with the General Fund.
 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

**CHANGE IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

	2011	2012*	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 100,817,537	\$ 40,534,858	\$ 108,580,845	\$ 112,937,239	\$ 121,946,651	\$ 128,474,185	\$ 135,308,469	\$ 142,848,675	\$ 154,337,721	\$ 168,152,012
Licenses and permits	1,168,702	1,280,779	1,900,386	2,084,729	2,594,651	3,041,029	3,330,603	3,306,058	2,676,516	3,061,226
Fines and penalties	6,607,933	4,819,636	6,908,913	6,447,136	6,391,950	6,331,870	6,612,636	6,827,131	6,121,341	5,592,792
Charges for services	14,284,477	8,792,207	16,432,906	16,574,190	17,287,781	19,636,433	18,033,413	19,265,971	20,782,010	20,664,738
Intergovernmental	5,371,357	3,876,650	7,155,617	4,256,449	4,754,515	7,575,190	9,498,046	12,388,444	14,317,096	24,750,636
Investment earnings	51,072	43,807	45,472	123,887	203,479	413,581	881,925	1,955,808	3,433,656	1,608,487
Other revenues	3,224,165	1,208,636	4,745,132	2,338,057	6,356,723	2,447,045	1,929,682	1,763,806	1,988,837	1,527,856
Total revenues	131,525,243	60,556,573	145,769,271	144,761,687	159,535,750	167,919,333	175,594,774	188,355,893	203,657,177	225,357,747
Expenditures										
General government	9,145,033	7,558,761	9,735,759	9,694,959	10,175,646	11,786,252	12,350,652	15,979,602	15,103,274	15,985,099
Judicial	12,190,687	8,910,791	13,339,510	13,732,332	14,869,642	16,216,192	16,739,789	17,689,270	19,826,565	19,939,718
Public safety	53,128,844	37,797,938	51,980,901	56,266,089	60,645,344	66,005,871	70,565,805	73,390,109	81,117,130	90,213,432
Public works	8,981,853	6,739,208	8,650,391	10,375,660	8,251,788	9,517,506	9,314,944	10,809,496	12,205,773	11,279,287
Health and welfare	4,810,705	3,354,025	2,747,382	2,887,530	2,773,972	3,050,269	3,086,649	2,954,423	3,236,064	3,606,049
Culture and recreation	3,605,951	3,905,096	5,700,838	4,330,470	6,756,342	6,967,373	8,447,155	7,629,915	7,840,623	5,677,752
Housing and development	4,832,386	2,262,564	3,456,310	6,890,514	7,518,258	6,547,593	4,251,725	5,017,183	5,481,935	7,411,415
Intergovernmental	6,159,277	5,328,013	7,526,940	8,045,732	14,113,597	9,756,629	10,270,527	10,420,628	12,736,017	16,455,141
Capital Outlay	7,816,079	12,767,749	33,851,092	15,705,022	13,555,389	28,098,061	30,940,506	13,328,844	39,308,824	47,960,667
Debt Service:										
Principal	10,466,097	3,584,045	11,048,319	3,415,827	4,440,062	4,103,333	8,864,966	5,241,179	9,511,284	7,833,520
Bond issuance costs	3,754,944	115,525	1,550	194,384	2,279	243,004	550	-	-	-
Interest	-	2,170,632	3,318,527	3,060,401	3,386,554	4,384,938	2,562,914	2,235,066	1,982,510	1,686,736
Total expenditures	124,891,856	94,494,347	151,357,519	134,598,920	146,488,873	166,677,021	177,396,182	164,695,715	208,349,999	228,048,816
Excess (deficiency) of revenues over (under) expenditures	6,633,387	(33,937,774)	(5,588,248)	10,162,767	13,046,877	1,242,312	(1,801,408)	23,660,178	(4,692,822)	(2,691,069)
Other Financing Sources (Uses)										
Proceeds from bond issues	-	11,410,000	-	22,823,000	-	-	-	-	-	-
Proceeds from refunded bonds	-	-	-	-	-	28,450,000	-	-	-	-
Discount on bonds sold	-	-	-	-	-	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	607,524	215,476	1,065,953	611,701	108,933
Proceeds from sale of assets	51,907	44,271	42,427	760,320	422,439	94,290	323,001	99,271	32,107	354,841
Payment to refunded bond escrow	-	-	-	-	-	(28,201,489)	-	-	-	-
Insurance reimbursement	-	-	-	-	-	-	197,308	472,630	127,472	174,464
Transfers in	16,016,357	5,866,999	5,641,614	4,935,848	3,415,092	14,356,019	8,439,564	7,652,575	9,262,420	6,040,173
Transfers out	(16,991,089)	(6,439,448)	(6,440,763)	(5,858,513)	(5,419,342)	(15,743,593)	(10,035,764)	(9,899,063)	(12,232,893)	(9,469,677)
Total other financing sources (uses)	(922,825)	10,881,822	(756,722)	22,660,655	(1,581,811)	(437,249)	(860,415)	(608,634)	(2,199,193)	(2,791,266)
Net Change in Fund Balance	5,710,562	(23,055,952)	(6,344,970)	32,823,422	11,465,066	805,063	(2,661,823)	23,051,544	(6,892,015)	(5,482,335)
Fund Balances, beginning of the year (restated)	83,934,943	90,492,370	67,436,418	61,091,448	93,914,870	105,775,875	106,580,938	104,529,861	127,581,405	120,689,390
Fund Balances, end of year	\$ 89,645,505	\$ 67,436,418	\$ 61,091,448	\$ 93,914,870	\$ 105,379,936	\$ 106,580,938	\$ 103,919,115	\$ 127,581,405	\$ 120,689,390	\$ 115,207,055

*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	8.94%	7.04%	12.23%	5.34%	5.88%	6.10%	7.74%	4.95%	6.80%	5.35%
---	-------	-------	--------	-------	-------	-------	-------	-------	-------	-------

CHEROKEE COUNTY, GEORGIA

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

<u>Function/Program</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>	<u>2019</u>	<u>2020</u>
Primary Government:										
Governmental Activities:										
General government	\$ 5,629,940	\$ 2,158,592	\$ 4,868,288	\$ 4,584,286	\$ 4,902,176	\$ 7,524,359	\$ 8,004,882	\$ 8,671,818	\$ 8,840,532	\$ 9,068,814
Judicial	7,352,353	5,461,108	7,123,277	6,795,575	7,094,400	7,352,778	7,407,962	8,135,800	8,010,883	7,869,354
Public safety	6,656,136	5,250,300	7,500,229	7,882,437	7,964,565	9,896,991	11,396,181	12,979,778	13,068,419	23,518,061
Public works	14,444,269	6,133,826	12,924,448	12,486,080	16,279,740	19,995,323	13,503,879	19,013,529	28,809,174	22,210,711
Health and welfare	2,304,508	2,262,152	1,789,272	2,030,904	2,565,552	1,614,124	1,453,100	1,751,532	2,007,233	1,552,506
Culture and recreation	1,377,358	830,877	2,903,131	2,475,950	2,622,768	2,558,091	2,501,221	2,687,372	2,738,184	2,074,309
Housing and development	902,726	1,086,243	1,656,272	1,800,287	2,293,281	1,674,699	812,218	1,369,515	1,317,602	1,323,395
Total Governmental Activities	<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>	<u>64,792,027</u>	<u>67,617,150</u>
Business-type Activities:										
Emergency medical services	6,383,784	5,350,425	6,145,189	7,256,138	3,909,969	5,039,277	5,331,808	4,735,648	5,237,555	5,452,734
Conference center	34,638	14,610	114,874	36,200	37,243	365,779	349,853	315,515	349,018	210,103
Total Business-type Activities	<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>	<u>5,586,573</u>	<u>5,662,837</u>
Total Primary Government	<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>	<u>\$ 70,378,600</u>	<u>\$ 73,279,987</u>

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

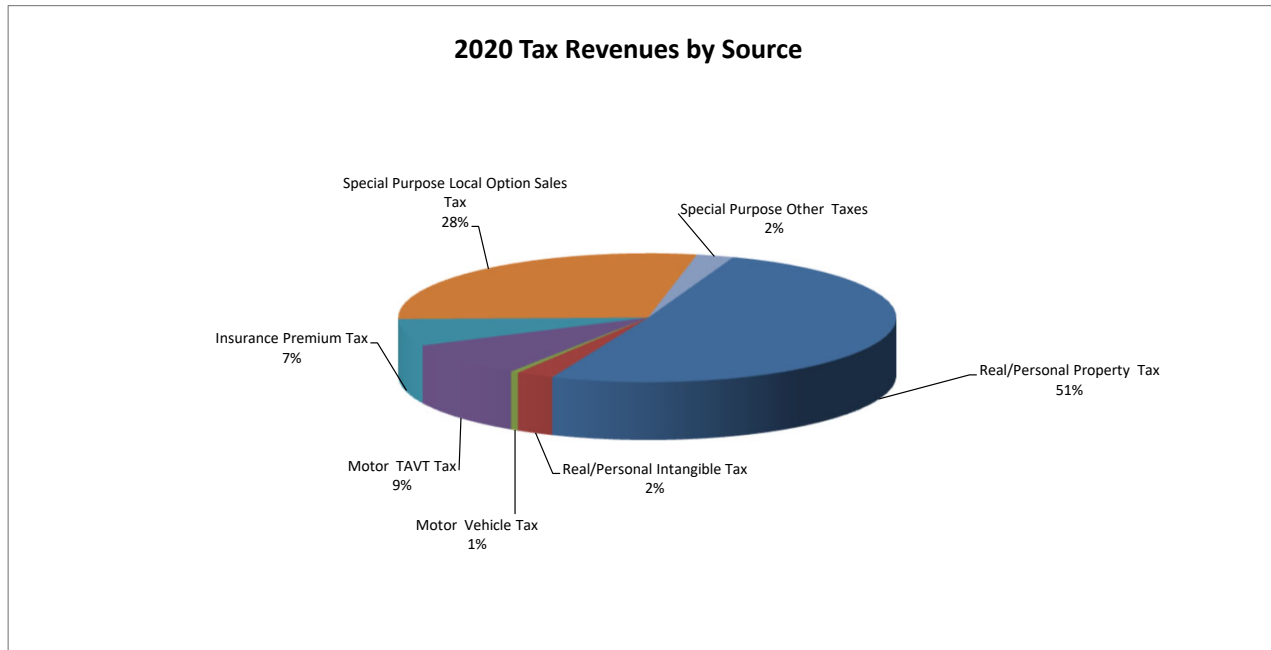
CHEROKEE COUNTY, GEORGIA

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
12/31/2011	\$ 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	40,534,858
9/30/2013	56,803,150	1,889,135	5,619,399	3,831,553	7,226,640	30,239,488	2,971,480	108,580,845
9/30/2014	57,659,256	1,439,824	4,228,192	7,188,520	7,626,040	31,690,072	3,105,335	112,937,239
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	3,995,227	135,308,467
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
9/30/2019	80,942,320	2,593,645	1,212,910	11,215,119	10,720,235	43,574,063	4,079,429	154,337,721
9/30/2020	85,250,388	4,130,388	849,423	14,573,771	11,380,706	47,920,585	4,046,751	168,152,012

*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	
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
2019	7,929,092,721	19,822,731,802	1,379,878,260	3,449,695,650	240,787,594	601,968,985	1,448,350,639	11,366,857,500	28,417,143,750	8.965
2020	8,631,958,711	21,579,896,777	1,447,807,994	3,619,519,985	247,242,323	618,105,807	1,808,341,482	12,251,796,287	30,379,490,717	8.965

* 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	
2011	5.365	3.129	0.641	9.135	0.25	19.450	0.400	19.850	29.235
2012	5.825	3.394	0.780	9.999	0.20	19.450	0.400	19.850	30.049
2013	5.798	3.373	0.776	9.947	0.15	19.450	0.400	19.850	29.947
2014	5.728	3.436	0.744	9.908	0.10	19.450		19.450	29.458
2015	5.720	3.436	0.744	9.900	0.05	19.450		19.450	29.400
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
2019	5.216	3.269	0.480	8.965	0.00	18.450	1.000	19.450	28.415
2020	5.212	3.292	0.461	8.965	0.00	18.450	1.000	19.450	28.415

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
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%
2019	1.00%	1.00%	4.00%	6.00%
2020	1.00%	1.00%	4.00%	6.00%

PRINCIPAL PROPERTY TAXPAYERS
September 30, 2020

+

Taxpayer	2020			2011		
	Assessed Value	Rank	% of Total Assessment	Assessed Value	Rank	% of Total Assessment
Georgia Power	\$ 59,420,807	1	0.48%	\$ 38,025,645	1	0.49%
Atlanta Gas Light Company	38,361,473	2	0.31%	26,610,045	2	0.34%
Universal Alloy Corporation	25,720,053	3	0.21%			
Cobb EMC	25,493,682	4	0.21%	19,814,796	3	0.26%
Bll Fund V Woodstock LLC	23,434,120	5	0.19%			
Cole Mountian Market Place	21,358,920	6	0.17%			
MP The Palmer, LLC	19,323,680	7	0.16%			
Georgia Transmission	19,241,968	8	0.16%	14,330,300	6	0.19%
Crest Laurel Canyon Apts	17,691,200	9	0.14%			
Laurelwood Drive Owner LLC	15,377,640	10	0.13%			
GLL Selection II Georgia LP				18,826,440	4	0.24%
Windstream Georgia Comm Corp				11,364,859	9	0.15%
CH Realty IV / Woodstock, LLC				12,809,360	8	0.17%
DDRM Riverstone Plaza LLC				11,895,240	10	0.15%
BellSouth Telecommunications				12,812,843	7	0.17%
Federal National Mtg. Assoc.				17,459,400	5	0.23%
	<u>\$ 265,423,543</u>		<u>2.17%</u>	<u>\$ 183,948,928</u>		<u>2.38%</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
2011	55,348,553	50,886,129	91.94%	4,132,032	01-01-12 to 11-30-18	55,018,161	99.40%
2012	55,452,483	1,359,612	2.45%	53,968,355	10-01-12 to 11-30-18	55,327,968	99.78%
2013	56,423,411	769,001	1.36%	55,658,999	10-01-13 to 11-30-18	56,428,000	100.01%
2014	62,612,461	2,137,638	3.41%	60,132,455	10-01-14 to 11-30-18	62,270,093	99.45%
2015	68,137,272	121,805	0.18%	67,886,851	10-01-15 to 11-30-18	68,008,656	99.81%
2016	71,963,231	273,107	0.38%	71,633,696	10-01-16 to 11-30-18	71,906,803	99.92%
2017	76,595,461	1,065,069	1.39%	74,966,506	10-01-17 to 11-30-18	76,031,575	99.26%
2018	79,677,237	4,317,131	5.42%	74,975,176	10-01-18 to 11-30-18	79,292,307	99.52%
2019	84,610,660	5,304,888	6.27%	78,650,359	10-01-19 to 11-30-19	83,955,247	99.23%
2020	90,479,088	4,798,125	5.30%	78,776,809	10-01-20 to 11-30-20	83,574,934	92.37%

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 SEVEN FISCAL YEARS

Year of Tax Levy	<u>9/30/2014</u>	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>	<u>9/30/2018</u>	<u>9/30/2019</u>	<u>9/30/2020</u>
2014	\$ -	\$ 148,317	\$ 25,579	\$ 12,921	\$ 7,064	\$ 5,572	\$ 5,122
2015	-	*	148,729	27,180	9,137	10,677	5,501
2016	-	-	-	48,141	11,672	13,120	4,350
2017	-	-	-	229,559	22,501	49,198	46,366
2018	-	-	-	-	531,251	96,010	60,305
2019	-	-	-	-	-	487,334	91,023
2020	-	-	-	-	-	-	403,037
TOTAL	\$ -	\$ 148,317	\$ 174,308	\$ 317,801	\$ 581,625	\$ 661,911	\$ 615,704

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 FISCAL 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					
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	0.88%	356.10	223,200	40,271	
2014	75,810,432	16,327,728	6,342,604	25,062	-	98,505,826	1.13%	426.46	230,985	37,874	
2015	71,658,319	15,955,902	2,582,449	-	-	90,196,670	1.01%	382.35	235,900	38,011	
2016	71,014,585	15,558,720	603,530	594,191	-	87,771,026	0.94%	365.56	240,100	38,711	
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	0.58%	294.16	252,043	51,137	
2019	57,298,191	6,219,846	-	1,629,892	-	65,147,929	0.47%	246.79	263,978	52,953	
2020	52,365,009	3,721,061	-	1,250,305	-	57,336,375	0.40%	214.39	267,435	52,953 *	

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 FISCAL 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	Resource Recovery Development Authority							
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%	322.26	223,200	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
2019	57,298,191	6,219,846		(47,816)	63,565,854	0.56%	240.80	263,978	11,366,857,500
2020	52,365,009	3,721,061		(138,917)	56,224,987	0.46%	210.24	267,435	12,251,796,287

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, 2020**

(Unaudited)

General Obligation Debt:		
2010 Issue	6,217,000	
2012 Issue	3,220,000	
2014 Issue	17,923,000	
2016 Refunding	25,005,009	
Total General Obligation Debt	52,365,009	52,365,009
Capital Lease Debt		1,250,305
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	3,721,061	
Total Guaranteed Revenue Debt	3,721,061	3,721,061
Total Direct Debt		57,336,375
City of Canton	19,158,838	
City of Woodstock	9,788,867	
City of Holly Springs	3,649,370	
City of Ball Ground	1,524,916	
Cherokee County School System	387,470,000	
Total Overlapping Debt		421,591,991
Total Direct and Overlapping Debt		\$ 478,928,366
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	\$ 195.80	
Direct Capital Lease Debt	4.68	
Direct Guaranteed Revenue Debt	13.91	
Overlapping General Obligation Debt	1,576.43	
	\$ 1,790.82	

(1) Based on estimated population of 263,978 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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Assessed Value	\$ 7,721,058	\$ 7,184,007	\$ 7,346,964	\$ 7,922,163	\$ 8,524,130	\$ 9,255,283	\$ 9,631,175	\$ 10,371,179	11,366,858	12,251,796
Debt Limit: 10% of assessed	772,106	718,401	734,696	792,216	852,413	925,528	963,118	1,037,118	1,136,686	1,225,180
Less: Debt applicable to debt limit	57,067	65,317	56,018	75,810	71,658	71,015	66,605	62,034	57,298	52,365
Legal Debt Margin	\$ 715,039	\$ 653,084	\$ 678,678	\$ 716,406	\$ 780,755	\$ 854,513	\$ 896,513	\$ 975,084	\$ 1,079,388	\$ 1,172,815

CHEROKEE COUNTY, GEORGIA

**PLEGGED- REVENUE COVERAGE
LAST TEN FISCAL YEARS**

(dollars in thousands)

Fiscal Year	Development Authority Revenue Bonds				Special Purpose Local Option Sales Tax Bonds						
	Debt Service				Debt Service						
	Land Sales	Principal	Interest	Coverage	Sales Tax	Less: Projects	Net Available Revenue	Principal	Interest	Coverage	
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	-	-	-	
2019	-	-	-	-	43,574	59,454	(15,880)	-	-	-	
2020	-	-	-	-	47,921	70,655	(22,734)	-	-	-	

*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
12/31/2011	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	223,200	8,988,534	40,271	36.8	39,324	6.00%
9/30/2014	230,985	8,748,231	37,874	37.0	41,322	5.70%
9/30/2015	235,900	8,966,897	38,011	37.2	41,593	4.00%
9/30/2016	240,100	9,294,614	38,711	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	12,888,723	51,137	37.5	42,270	2.60%
9/30/2019	263,978	13,499,043	52,953	37.7	42,602	2.40%
9/30/2020	267,435	14,161,486	52,953 *	37.7	41,230	4.10%

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**

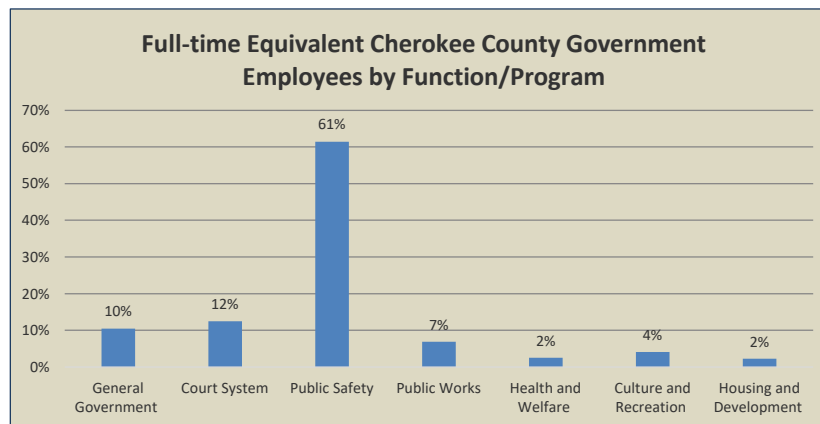
Employer	2020			2011		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Cherokee County Schools	4,915	1	3.7%	4,535	1	4.0%
Northside-Cherokee Hospital	2,800	2	2.1%	767	4	0.7%
Cherokee County Government	1,667	3	1.3%	1,297	2	1.2%
Publix Supermarkets	1,602	4	1.2%			
Wal-Mart Associates, Inc.	1,264	5	1.0%			
Inalfa Roof Systems	1,000	6	0.8%			
Kroger Supermarkets	947	7	0.7%			
Pilgrams Pride Corp.	760	8	0.6%	840	3	0.7%
Chart Inc.	570	9	0.4%	332	5	0.3%
Home Depot	546	10	0.4%			
Piolax Corporation				186	9	0.2%
Reinhardt University				185	10	0.2%
Universal Alloy Corporation				235	6	0.2%
Meyn America, Inc.				234	7	0.2%
City of Woodstock				195	8	0.2%
	<u>16,071</u>		<u>12.2%</u>	<u>8,806</u>		<u>7.8%</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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	134	127	126	127	133	133	138	154	161	164
Court System	158	154	155	161	161	164	178	184	194	195
Public Safety	757	742	745	769	794	816	826	888	924	963
Public Works	92	90	87	87	91	93	95	101	105	107
Health and Welfare	33	33	32	32	32	28	34	37	38	39
Culture and Recreation	39	41	62	70	71	67	68	69	70	64
Housing and Development	29	22	22	26	26	27	31	33	36	35
Total	1,242	1,208	1,231	1,273	1,308	1,328	1,370	1,467	1,528	1,567



CHEROKEE COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Unaudited

	12/31	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30
Function/Program	2011	2012*	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Total registered voters	136,239	143,863	147,813	147,965	151,842	164,920	163,869	177,683	189,624	197,834
Judicial System										
Total criminal dockets	1,193	1,171	1,844	1,272	1,354	1,128	1,195	1,108	1,407	1,385
Total civil cases filed	3,323	1,171	2,717	2,445	1,354	2,746	2,657	2,464	2,585	2,335
Felony arrest warrants	1,957	1,702	1,657	2,150	2,412	2,671	3,070	3,370	3,679	3,200
Marriage licenses issued	1,037	769	1,085	1,142	1,199	1,312	1,379	1,189	1,252	1,460
Firearm licenses issued	2,237	2,224	5,307	4,165	4,813	7,088	4,970	5,937	5,650	7,253
Public Safety										
Physical arrests	5,680	5,409	6,351	5,843	5,848	6,351	5,429	5,739	5,982	4,395
Fire emergency responses	19,215	18,820	18,704	21,074	22,015	24,526	25,765	26,651	27,448	27,732
EMS dispatches	13,331	13,771	13,638	15,073	16,056	16,616	16,842	18,091	18,744	18,695
All E-911 calls	331,736	320,339	317,515	330,337	340,642	343,709	330,933	332,141	324,018	309,717
EOC activations	17	2	9	7	3	4	10	6	5	8
Public Works										
Miles maintained	1,283	1,285	1,290	1,298	1,308	1,318	1,320	1,327	1,334	1,265
GDOT LARP/LMIG resurfaced	17	8	8	20	9	7	11	43	85	6
Health and Welfare										
Home delivered meals	46,184	34,103	39,207	43,754	37,598	38,335	28,900	31,983	32,102	33,977
Housing and Development										
Building inspections conducted	5,795	4,854	8,676	11,252	12,909	17,769	23,624	26,040	32,278	29,200
New business licenses	1,168	743	777	790	908	763	624	737	710	673
Business license renewals	4,283	4,117	5,316	5,192	4,926	6,113	7,245	5,318	3,834	5,218

*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>2011</u>	<u>2012*</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental										
Buildings/Land	22	19	20	19	19	19	16	24	24	24
Vehicles	31	31	31	32	32	40	40	46	52	48
Judicial										
Buildings/Land	1	1	1	1	1	1	1	1	1	1
Vehicles	19	19	19	19	19	19	22	18	25	26
Sheriff/Law Enforcement										
Buildings/Training Ctr/Land	11	11	11	13	11	11	11	11	12	12
Vehicles	261	268	279	272	267	274	285	284	284	292
Fire/EMS										
Fire Stations/Training Ctr/Land	20	21	21	24	25	26	29	30	30	31
Vehicles	79	81	81	80	81	81	81	86	87	99
Pumpers/Ladder Trucks	38	38	39	40	43	40	41	45	44	44
Animal Shelter/Animal Control										
Building/Land	2	2	2	2	2	2	2	3	4	4
Vehicles	8	8	9	9	10	10	11	12	10	11
Public Works										
Buildings/Land	9	9	9	9	9	10	11	11	12	12
Street Miles	1283	1285	1290	1298	1308	1318	1320	1327	1334	1265
Traffic Signals	52	52	53	54	54	55	56	56	58	58
Bridges/Culverts	70	70	70	70	70	70	70	70	70	82
Vehicles	64	63	65	68	68	78	74	81	89	86
Machinery & Equipment	56	57	58	57	62	69	71	74	80	78
Health Welfare										
Buildings/Land	3	3	2	3	8	8	8	10	10	10
Vehicles	6	6	6	5	5	8	12	11	14	18
Culture/Recreation										
Buildings/Land	57	58	59	58	59	59	58	59	60	60
Code Enforcement										
Buildings/Land	3	3	3	3	3	3	3	0	0	0
Vehicles	17	17	18	17	18	25	22	25	26	29
Environmental Health										
Vehicles	2	2	0	0	0	0	0	0	0	0
Ball Ground Recycling										
Buildings/Land		6	6	6	0	0	0	0	0	0
Machinery & Equipment		44	44	44	0	0	0	0	0	0
Total Assets	2,114	2,174	2,196	2,203	2,174	2,226	2,244	2,284	2,326	2,290

Source: Cherokee County Finance Department