

Cherokee County



Annual Comprehensive Financial Report
For Fiscal Year Ended September 30, 2021

CHEROKEE COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021

PREPARED BY:
FINANCE DEPARTMENT

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

**CHEROKEE COUNTY, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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(Unaudited)**

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March 29, 2022

Honorable Harry Johnston, Commission Chairman

Cherokee County Board of Commissioners

And the Citizens of Cherokee County

Gentlemen:

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 2021 Annual Comprehensive Financial Report, is published to fulfill that requirement for the fiscal year ended September 30, 2021.

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, 2021. 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 1831 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 272,130, 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. The \$90 Million Parks, Recreation and Greenspace Bond, was approved by the citizens of Cherokee County on the November 4, 2008 election ballot. The bond proceeds enabled the County 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



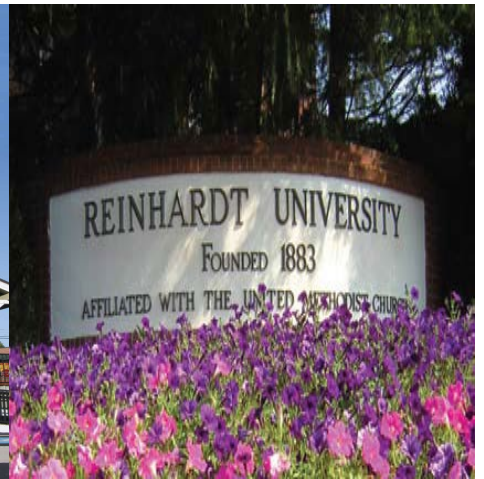
Downtown Woodstock



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 272,130 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.

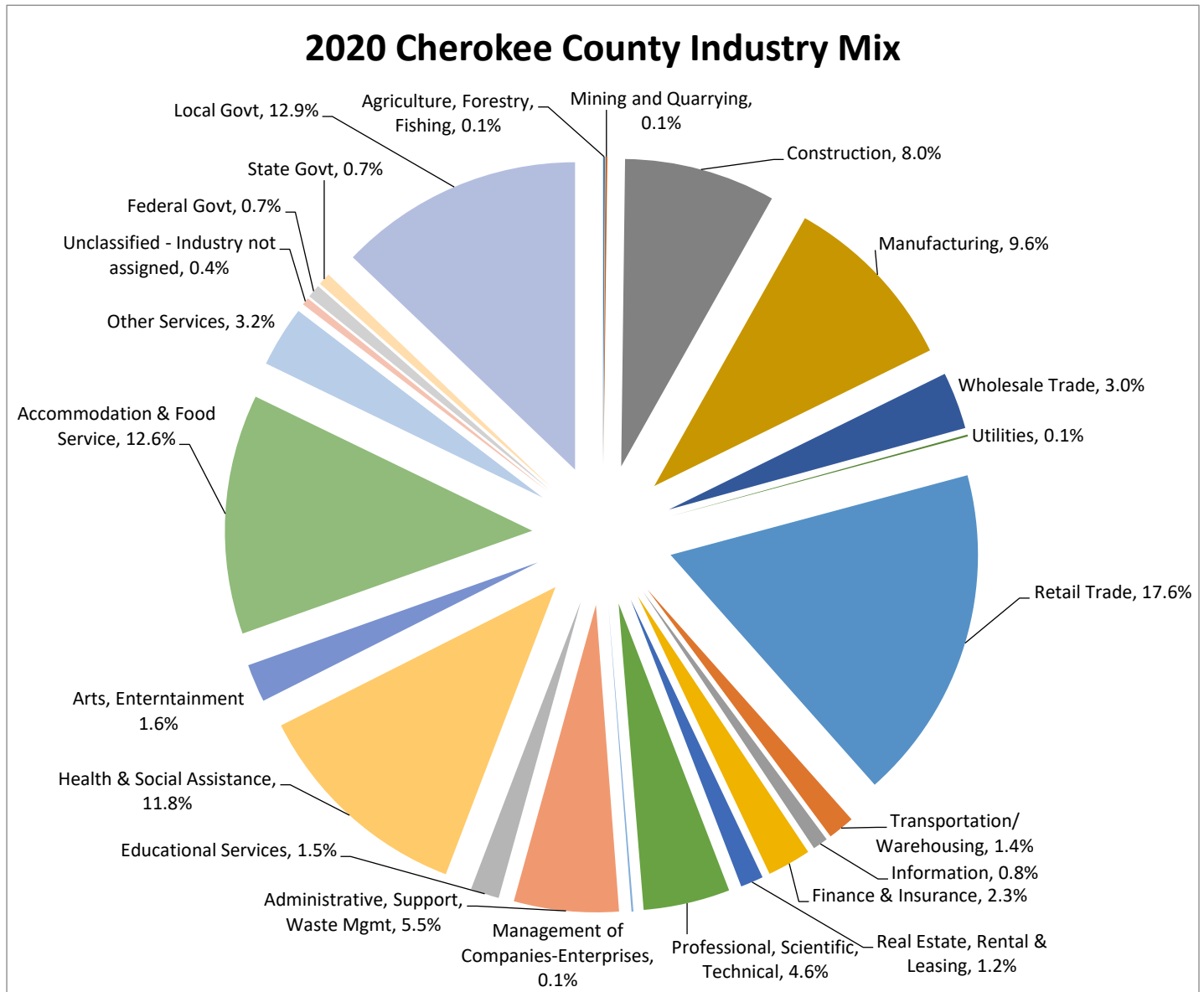


Front Row (L-R):
Benny Carter-
Commissioner Post 3
Harry Johnston,
Chairman
Steve West-
Commissioner Post 1
2nd Row (L-R):
Corey Ragsdale-
Commissioner Post 4
Richard Weatherby-
Commissioner Post 2

Local Economy

INDUSTRY MIX

Cherokee County's Industry mix is 67.6% Services, 17.8% Goods, 14.3% Government and .4% Unclassified.



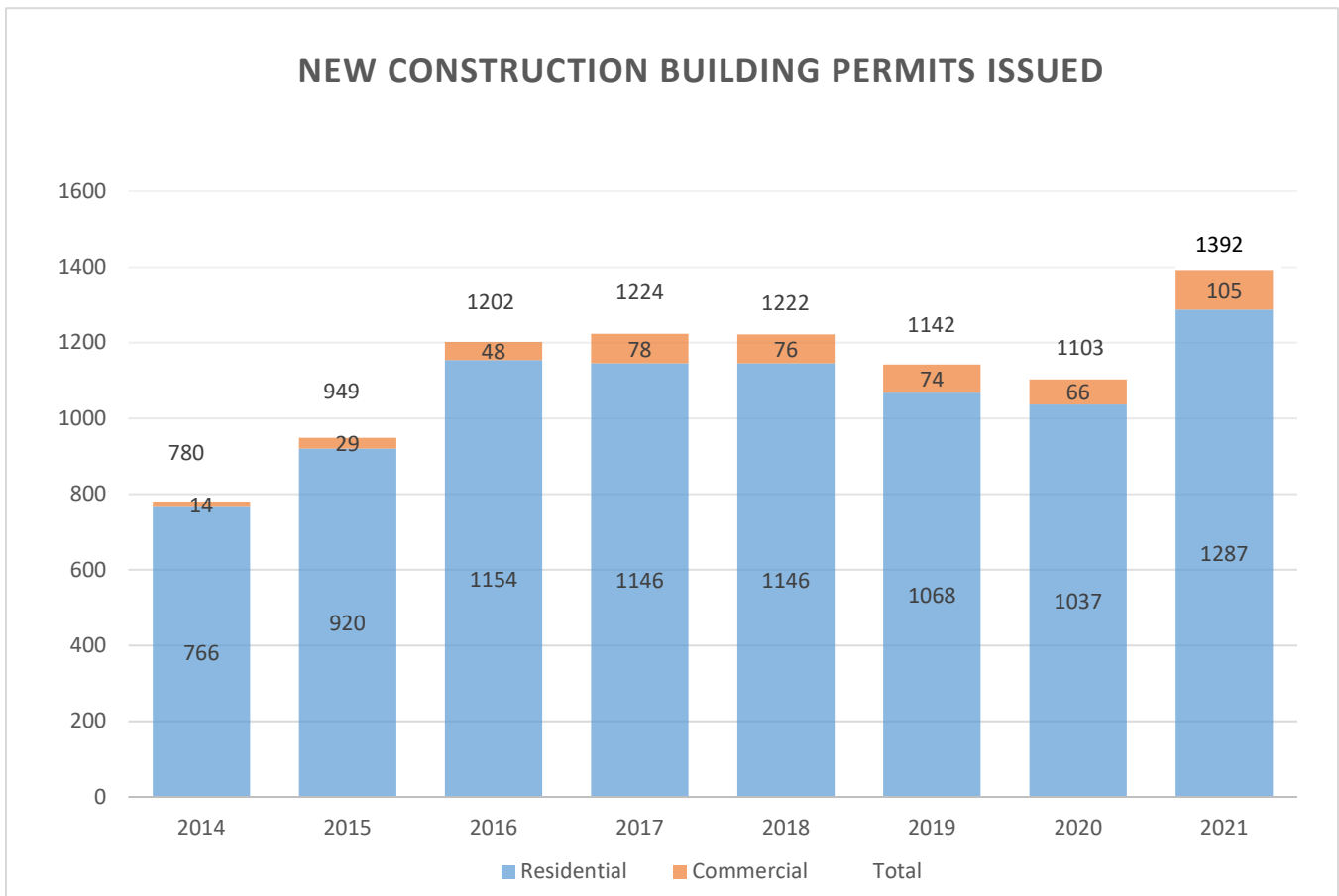
Source: <http://explorer.dol.state.ga.us/mis/Profiles/Countries/Cherokee.pdf>

The industry mix has been relatively unchanged between 2014 and 2021. Since Cherokee County is largely a residential community, services continue to be the biggest industry. 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%. The current housing market has produced tight housing inventory, which has fueled construction to grow to 8% in 2020.

NOTE: At printing of this report the 2021, County Industry Mix had not yet been published so 2020 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. In 2019-2020, permits had dropped but in 2021, there was a considerable increase of 26% which should translate 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, 2021, Cherokee County's jobless rate had decreased from 4.1% in 2020 to 1.7% in 2021. The county's unemployment rate continues to be lower than the statewide unemployment rate of 3.2% and the national rate of 4.6%. Cherokee County's rate is among the lowest in the metro Atlanta region. The tight labor market can also cause problems as labor shortages are effecting businesses' operations.

Cherokee County Film Activity

Filming on Target in Cherokee

Film teams continued to flock to Cherokee with incredible projects, including the super-sized Marvel crew for the Disney+ streaming series “Hawkeye”, which was shot inside Canton’s historic Jones Mercantile Building.



Notable Numbers

183+
Total Inquiries

49+
Projects Filmed

27%
Film inquiries to production

51%
Increase in Prospects Over the Previous Year

48,784
Interactions on Film App

Workforce Initiatives



Forget the Commute

230 job seekers engaged one-on-one with over 35 of Cherokee’s top employers at the Seventh Annual Cherokee Center Expo. Since its launch in 2015, the event has provided networking opportunities, resume review assistance, and career guidance to over 3,500 job seekers.

New/Expanding Industries

- Atlanta Network Technologies
- Biolyte
- CAIRE
- CaliFino Tequila
- Commercial Bank & Business Equipment
- Chart Industries
- Cobb Industrial, Inc.
- Jaipur Living
- Northside Hospital – Cherokee
- Pillow Perfect
- Piolax Corporation
- Quest One Aerospace
- Schoen Insulation Services
- Stream MOKO
- Thomas Regout, Inc.
- Universal Alloy Corporation

The Canton Corporate Park will break ground as the fourth park developed by the Cherokee County Office of Economic Development. The park is master planned to include two large pad sites with the ability to accommodate 150,000+ sq. ft. as well as flex spaces sites fronting State Route 20.



2021 HIGHLIGHTS



Road Projects

- Univeter Road/New Light Road
- Univeter Road/Pinecrest Rd
- Woodstock Road at Victory Drive Roundabout
- Right-of-way acquisition for Bells Ferry Road Expansion in partnership with GDOT
- Bridge replaced on Union Hill Road at Mill Creek

Parks Plans for SW Cherokee

Land acquisition for new parks in NE Cherokee

WHAT IS ON THE HORIZON FOR 2022?

- Construction of the L.B. Ahrens Recreation Center
- Courthouse expansion and new parking deck
- New Elections Building
- Replacement Fire Station in Mica
- Completion of Fire Training Center Expansion
- Airport widening to 100 feet and lengthening to 5,500 feet



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 2021 Tax Digest increased 7.04%, of which 3.24% was new growth. We anticipate the 2022 Digest will increase approximately 7.8% in total, including 4.00% new growth.

CURRENT 2021 TAX DIGEST AND HISTORY OF TAX LEVY						
	2016	2017	2018	2019	2020	2021
REAL	8,654,002,944	9,631,169,530	10,371,129,786	11,367,434,339	12,251,796,287	13,592,604,848
PERSONAL	416,085,312	440,936,267	482,207,765	546,451,490	565,557,857	579,583,452
MOTOR VEHICLES	300,355,630	221,656,730	168,958,850	138,891,860	116,049,460	97,858,520
MOBILE HOMES	14,007,920	14,032,720	14,796,578	15,198,674	15,181,274	15,844,811
TIMBER	547,150	794,208	1,366,283	995,672	1,567,828	1,085,620
HEAVY DUTY EQUIPMENT						86,134
GROSS M&O DIGEST	9,384,998,956	10,308,589,455	11,038,459,262	12,068,972,035	12,950,152,706	14,287,063,385
LESS M&O EXEMPTIONS	898,710,672	1,106,624,687	1,289,377,930	1,582,097,196	1,768,423,675	2,318,529,074
NET M&O DIGEST	8,486,288,284	9,201,964,768	9,749,081,332	10,486,874,839	11,181,729,031	11,968,534,311
NET M&O DIGEST CHANGE	6.62%	8.43%	5.95%	7.57%	6.63%	7.04%

Profile of County Population 2021

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	1.3%	1.1%	2.1%
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	6.7%	14.0%	11.4%

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

A strong economy has kept Cherokee County as one of Georgia’s fastest growing counties with a 23% increase in population from 2012-2021 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 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 that 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.

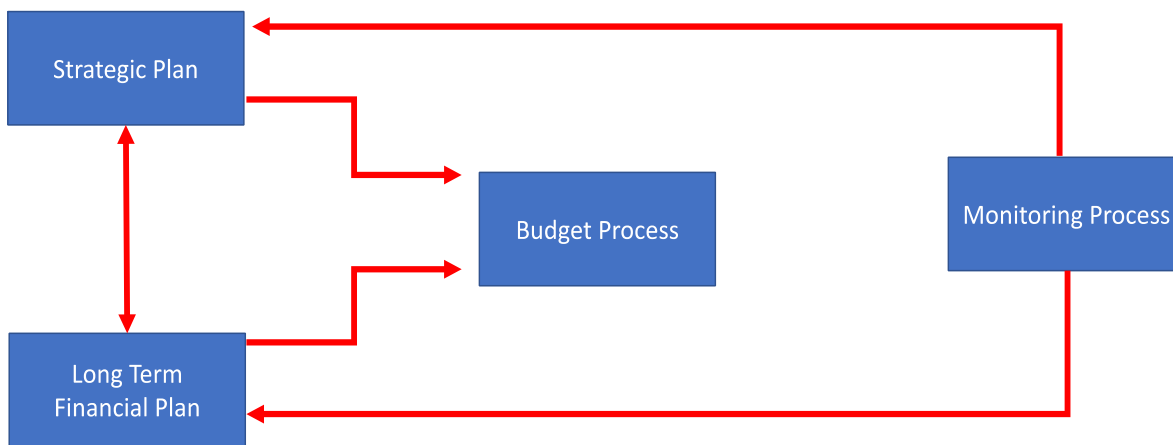
The chart below illustrates how financial planning and strategic planning work together to establish long-term, strategic direction, which then affects the budget process. The budget is used to operationalize strategies called for by the financial plan and strategic plan.

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.

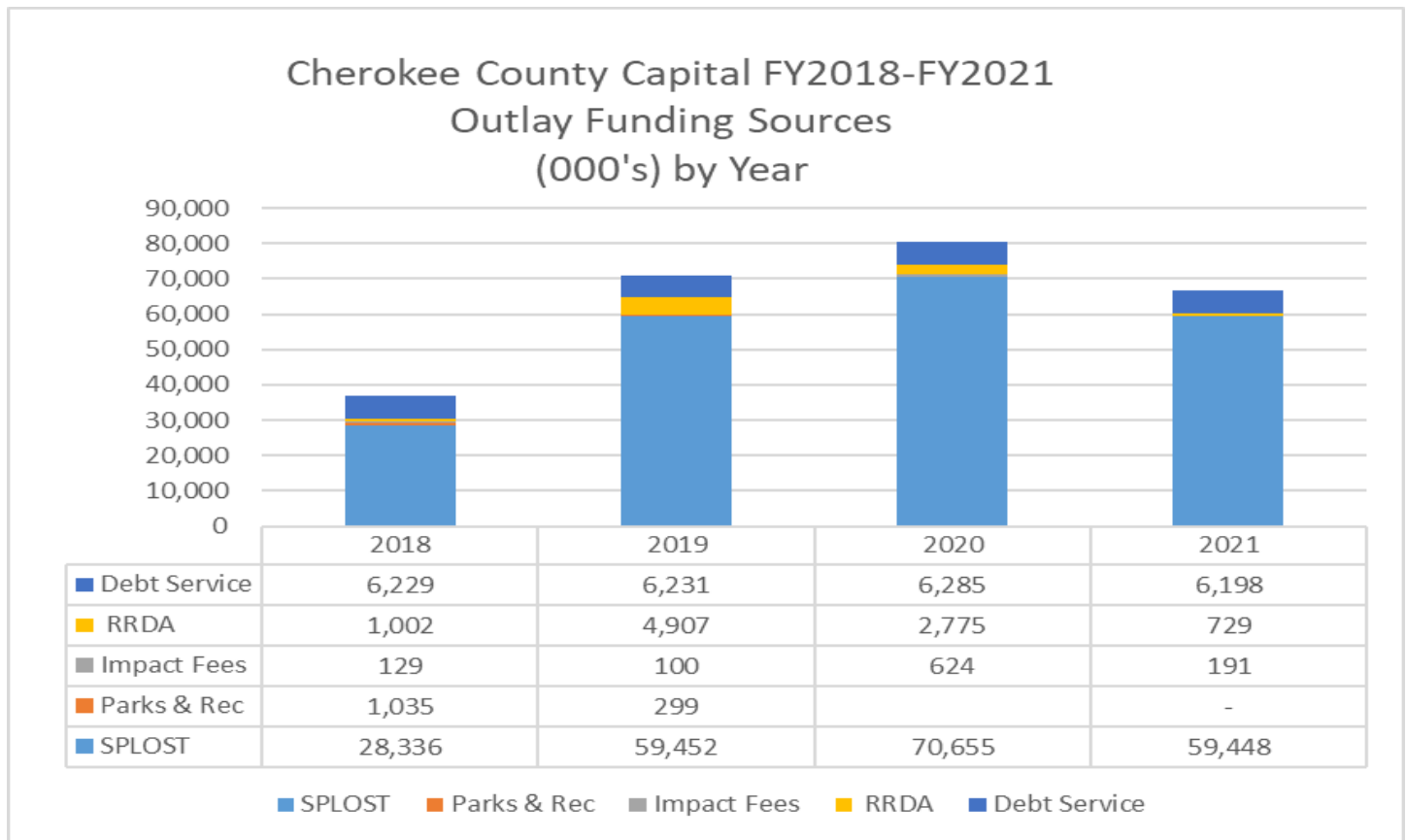
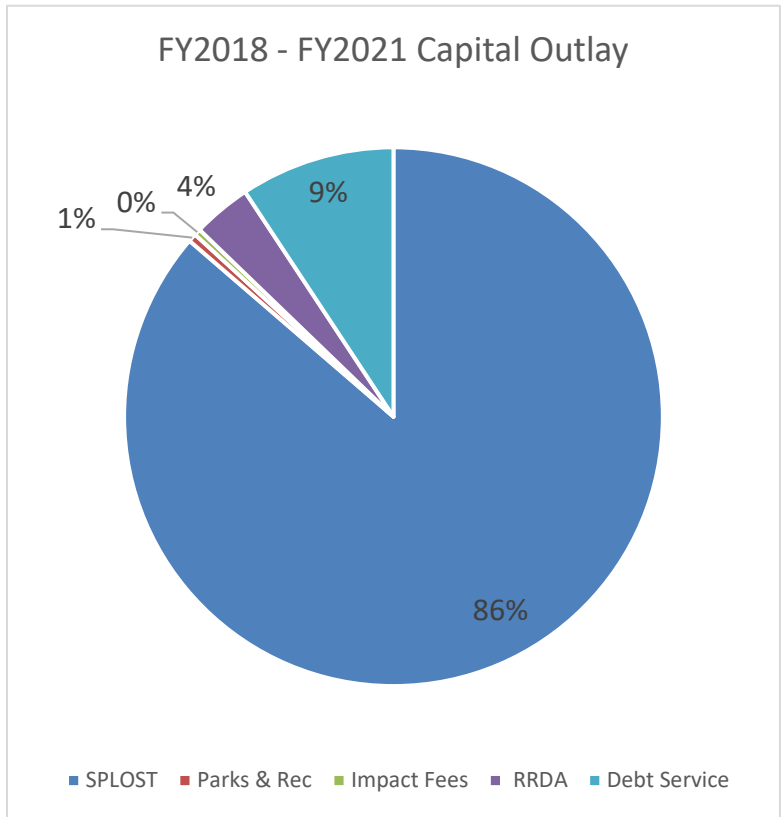
The County's philosophy concerning the use of the CIP is that it should be considered as a financial planning tool that lists the County's capital improvement projects, places projects in a priority order, and schedules the projects for funding and implementation.

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 FY2018-FY2021. SPLOST continues to be the leading source of funding for the Capital Projects in Cherokee County. For the Period FY2018-FY2021, SPLOST accounted for 86% of the funds used to fund Capital projects followed by Debt Service at 9%. Over the four-year period from FY2018-FY2021, Cherokee County has invested a total of \$268,610,000 in Capital in order to improve the infrastructure and provide top quality services to the citizens of Cherokee County. A new SPLOST will be on the ballot in Nov 2022. If approved it would go into effect in 2024 and allow the county to continue to invest in capital improvements.



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 ACKNOWLEDGEMENT

In 2021, Cherokee County was awarded the triple crown for excellence by receiving the following three awards from The Government Finance Officers Association (GFOA).



The Certificate of Achievement for Excellence in Financial Reporting Program – Cherokee County received this award for the 9th consecutive year in 2021 for the fiscal year ended September 30, 2020. This 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 2021 for the fiscal year ended September 30, 2020 for the sixth 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.



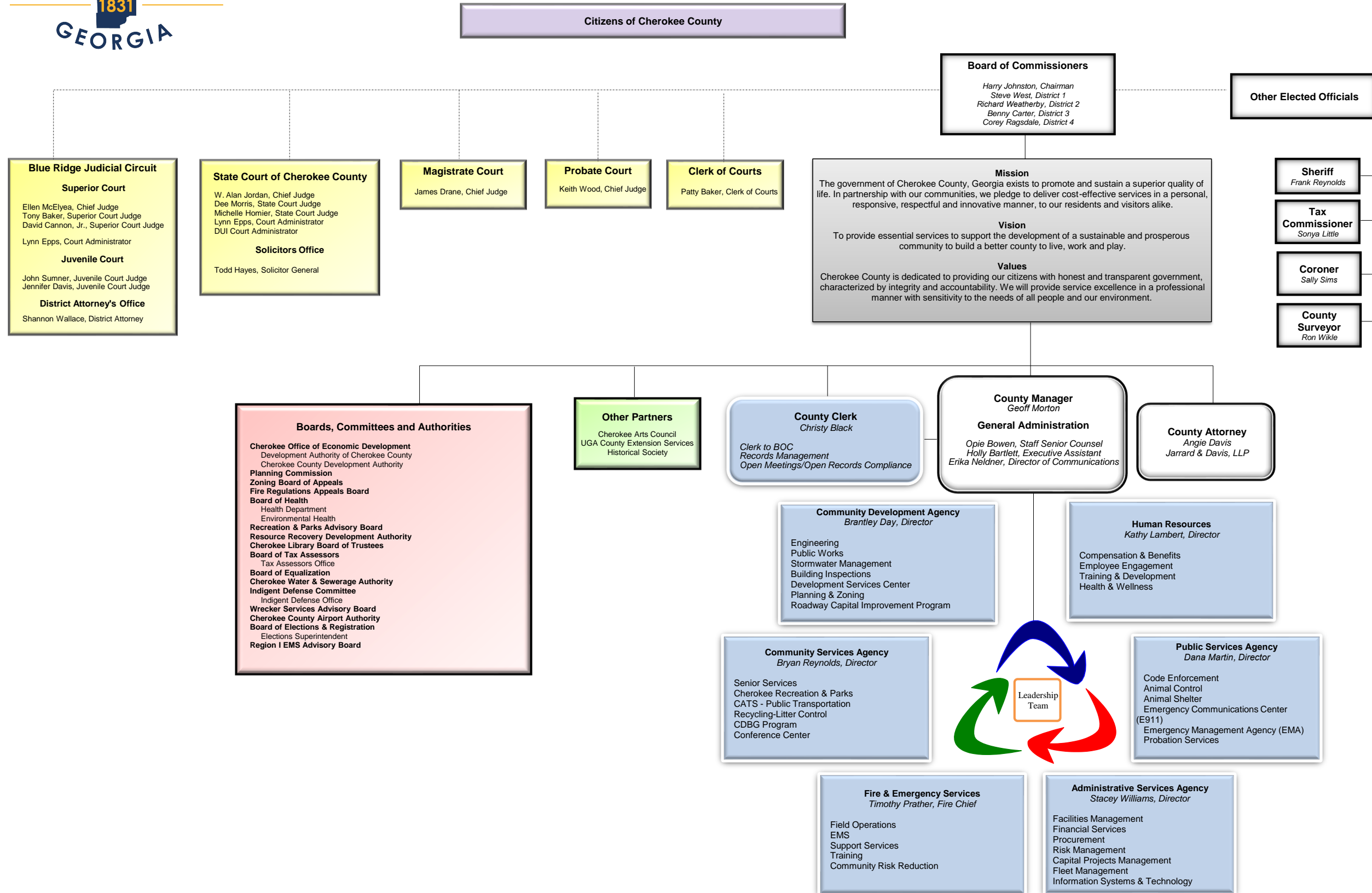
Popular Annual Financial Reporting Award Program - Cherokee County Finance received the PAFR Program Award for the fifth time in 2021 for the fiscal year ended September 30, 2020. The PAFR award is given to local governments that extract information from their Annual Comprehensive Financial Report to produce a high quality PAFR designed to be readily accessible and easily understandable to the public.

Respectfully submitted,

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

Jimmy Marquis
CFO

Cherokee County Government Organizational Chart



CHEROKEE COUNTY, GEORGIA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2021

Commission Chairman and District Commissioners

Harry Johnston.
Commission Chairman

Steve West
Richard Weatherby
Benny Carter
Corey Ragsdale

District One
District Two
District Three
District Four

Constitutional Officers

Todd Hayes
Solicitor General
Sally Sims
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

Geoff Morton
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

Brantley Day
Community Development Director
Brenda Flowers
CIO / IT Services Director
Anne Dover
Elections Director
Dana Martin
Public Services Agency Director
Erika Neldner
Director of Communications
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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

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, 2021, 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 16, Restatement, the County implemented Governmental Accounting Standards Board (GASB) Statement No 84, *Fiduciary Activities*, as of October 1, 2020. This standard significantly changes the accounting for the County's fiduciary funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the County's net pension liability and related ratios, the schedule of pension contributions, the schedule of changes in the County's total OPEB liability and related ratios, the budgetary comparison schedules and notes on pages 4-15 and 52-60 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 29, 2022 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.

Richards, Cauley + Associates, LLC

Kennesaw, Georgia
March 29, 2022

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, 2021. 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 \$1,285,683,153 compared to liabilities and deferred inflows of \$332,330,614. Assets and deferred outflows were 3.9 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 increased from \$951,330,230 to \$953,352,539.
- ❖ **Fund Balances:** As of September 30, 2021, Cherokee County's governmental funds reported combined ending fund balances of \$127,743,908 compared to \$115,207,055 reported in FY2020. The net increase of \$12,536,853 was due to the combination of the timing of various SPLOST projects, (i.e. near completion of the jail) and increased tax revenues.
 - SPLOST sales tax revenues remained very strong as they increased \$7,473,697 over FY2020, which accounted for the majority of the increase in the SPLOST fund balance of \$7,823,250.
 - Cherokee County's property taxes were \$116,029,980 in FY2021 as compared to \$104,803,970 in 2020. This is an increase of \$11,226,010 or 10.71% over FY2020. Property taxes pertaining to the millage rate increased \$6,574,863, TAVT increased \$3,288,164 and Intangibles increased \$1,235,957.
 - Intergovernmental revenue decreased in FY2021 by \$4,972,491. The CARES ACT funds received in FY2020 were also expended in FY2020 while the majority of the American Rescue Plan Act (ARPA) funds received in FY2021 were treated as deferred revenue.
 - Fines and Forfeitures increased \$794,542, Charges for Services increased \$2,863,674 and Contributions increased 831,007 all rebounding from the effects of the pandemic in FY2020.
- ❖ **Debt:** Bonds Payable decreased from \$55,725,000 to \$50,185,000. This represents a decrease of \$5,540,000 (9.9%), which is comprised of a reduction in the balance of the 2009, 2010, 2012, 2014, 2016 Parks, Recreation, Greenspace, and Refunding Bonds due to scheduled payments of bond principal totaling \$5,000,000 along with the RRDA Bonds principal payment of \$540,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

The intent of this discussion and analysis is 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, Development Authority of Cherokee County, and Sequoyah Regional Library, all legally separate entities, for which Cherokee County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

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

2. Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Cherokee County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Cherokee County can be divided into three categories: A. Governmental funds, B. Proprietary funds, and C. Fiduciary funds.

A. Definition of Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for

governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Cherokee County maintains 27 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the four major funds: General Fund, Fire District Fund, ARPA Grant Fund, and SPLOST Funds (Special Purpose Local Option Sales Tax). Data for the other 23 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 \$953,352,539 at the close of the most recent fiscal year. Cherokee County assets and deferred outflows are almost four times its liabilities and deferred inflows.

Summary of Assets, Liabilities, and Net Position

	Governmental Fund Activities		Business Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and Other Assets	\$ 276,603,236	\$ 227,815,379	\$ 3,217,394	\$ 2,859,428	\$ 279,820,630	\$ 230,674,807
Capital Assets	953,246,648	964,879,405	2,984,950	3,523,689	956,231,598	968,403,094
Total Assets	1,229,849,884	1,192,694,784	6,202,344	6,383,117	1,236,052,228	1,199,077,901
Deferred Outflows	46,391,609	52,248,329	3,239,316	3,525,626	49,630,925	55,773,955
Liabilities:						
Current Liabilities	64,510,005	33,611,965	684,143	637,392	65,194,148	34,249,357
Long Term Liabilities	146,843,502	159,640,949	6,771,291	6,782,531	153,614,793	166,423,480
Total Liabilities	211,353,507	193,252,914	7,455,434	7,419,923	218,808,941	200,672,837
Deferred Inflows	112,437,570	102,044,358	1,084,103	804,431	113,521,673	102,848,789
Net Position:						
Net Investment in capital assets	897,059,214	897,381,194	2,984,950	3,523,689	900,044,164	900,904,883
Restricted	78,921,584	79,175,902	-	-	78,921,584	79,175,902
Unrestricted	(23,530,382)	(26,911,255)	(2,082,827)	(1,839,300)	(25,613,209)	(28,750,555)
Total Net Position	\$ 952,450,416	\$ 949,645,841	\$ 902,123	\$ 1,684,389	\$ 953,352,539	\$ 951,330,230

The largest portion of Cherokee County's net position was \$897,059,214 or 94.2% 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 FY2020 revenue from governmental activities increased \$11,907,681 or 5.0%. The following areas were key drivers for the increase.

- Grant revenue decreased \$4.1M in Operating Grants. In FY2020, the county received and expended all its CARES ACT funds for COVID 19, although the county received a large amount from the American Rescue Plan Act (ARPA) in FY2021, only a small portion was used thus the remainder had to be deferred. The \$6.0M decrease in Capital Grants is due to less donated roads to the County in FY2021 compared to FY2020.
- Property taxes increased \$10.6M in FY2021, driven primarily by digest growth plus higher TAVT and Intangible receipts. The strengthening of the economy and the increase in business and commercial outlets in the County enabled Sales taxes to increase \$7.5M.
- There were also an increase in Insurance Premium Tax of \$.4M while interest revenue decreased \$.9M due to lower interest rates.

Summary of Activities

	Governmental Fund Activities		Business Activities		Total	
	2021	2020	2021	2020	2021	2020
Program Revenue:						
Charges for Services	\$ 33,659,461	\$ 29,306,533	\$ 5,771,633	\$ 5,528,684	\$ 39,431,094	\$ 34,835,217
Operating Grants	17,240,045	21,390,360	-	134,153	17,240,045	21,524,513
Capital Grants:	10,954,095	16,920,257	-	-	10,954,095	16,920,257
General Revenue:						
Property Taxes	115,682,246	105,048,375			115,682,246	105,048,375
Alcoholic Beverage Taxes	1,261,299	1,172,092			1,261,299	1,172,092
Franchise Taxes	2,468,536	2,649,868			2,468,536	2,649,868
Sales Taxes	55,394,284	47,920,585			55,394,284	47,920,585
Insurance Premium Taxes	11,815,774	11,380,706			11,815,774	11,380,706
Other Taxes	345,018	224,791			345,018	224,791
Interest	84,757	1,026,720			84,757	1,026,720
Other	1,250,953	1,208,500			1,250,953	1,208,500
TOTAL REVENUES	250,156,468	238,248,787	5,771,633	5,662,837	255,928,101	243,911,624
YOY Change \$	\$ 11,907,681		\$ 108,796		\$ 12,016,477	
YOY Change %	5.0%		1.9%		4.9%	
Program Expenses:						
General Government	19,603,441	17,857,668			19,603,441	17,857,668
Judicial	21,849,361	20,658,488			21,849,361	20,658,488
Public Safety	105,509,990	100,192,828			105,509,990	100,192,828
Public Works	69,868,513	73,366,584			69,868,513	73,366,584
Health and Welfare	3,986,700	3,761,410			3,986,700	3,761,410
Culture and Recreation	12,685,936	11,351,369			12,685,936	11,351,369
Housing and Development	7,728,579	9,026,144			7,728,579	9,026,144
Interest	1,399,287	1,568,839			1,399,287	1,568,839
Emergency Medical Services			10,877,961	9,842,932	10,877,961	9,842,932
Conference Center			396,024	432,137	396,024	432,137
TOTAL EXPENSES	242,631,807	237,783,330	11,273,985	10,275,069	253,905,792	248,058,399
Change in Net Position Before Transfers	7,524,661	465,457	(5,502,352)	(4,612,232)	2,022,309	(4,146,775)
Transfers	(4,720,086)	(4,730,509)	4,720,086	4,730,509	-	-
Changes in Net Position	2,804,575	(4,265,052)	(782,266)	118,277	2,022,309	(4,146,775)
Beginning Net Position	949,645,841	953,910,893	1,684,389	1,566,112	951,330,230	955,477,005
Restatement					-	-
Ending Net Position	\$ 952,450,416	\$ 949,645,841	\$ 902,123	\$ 1,684,389	\$ 953,352,539	\$ 951,330,230

Governmental Fund activities' expenses increased \$4.8M or 2% when compared to FY2020. General Government increased \$1.7M, Judicial increased \$1.2M, Public Safety increased \$5.3M, Public Works decreased \$3.5M and Housing and Development decreased \$1.3M.

- The increase in General Government of \$1.7M was due to Non Public Safety employees receiving a 4% COLA, increased employee benefit costs and increased costs in Elections, which were the result of the Presidential election.
- Public Safety expenses increased \$5.3M over FY2021. All Public Safety employees received a 8% COLA and employee benefit costs were higher. New public safety positions included 3 in the Sheriff's department and 7 in the Fire department. There were also higher medical costs for inmates.
- Public Works decreased expenses \$3.5M. Personnel costs rose due to the 4% COLA and higher benefit costs; however, total cost decreased because of lower operating costs that resulted from the suspension of certain road projects due to labor shortages.

- Housing and Development decreased \$1.3M primarily due to a \$2.9M payment to the Economic Development Authority for the purchase of land in FY2020.

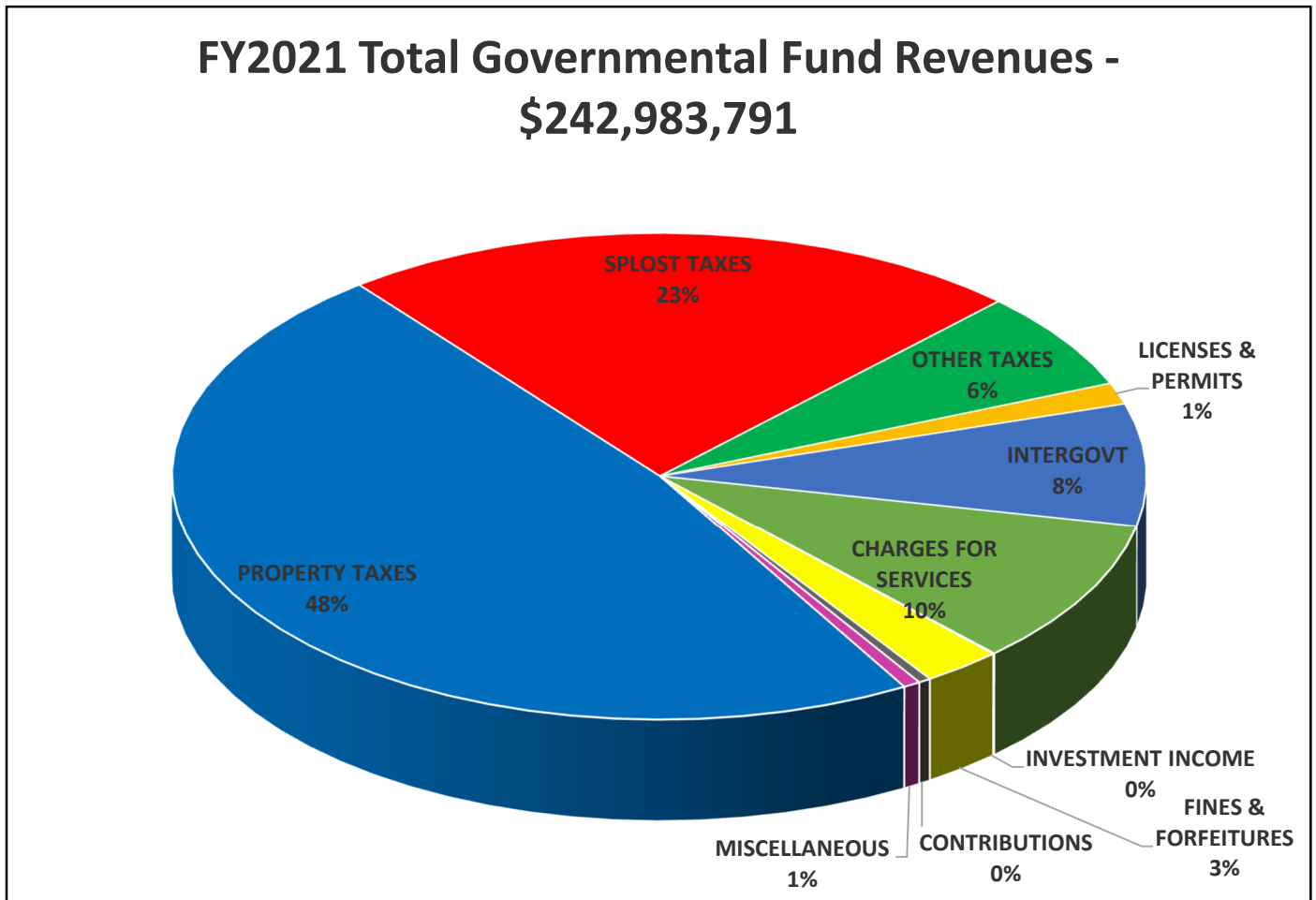
FUND FINANCIAL STATEMENT ANALYSIS

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.

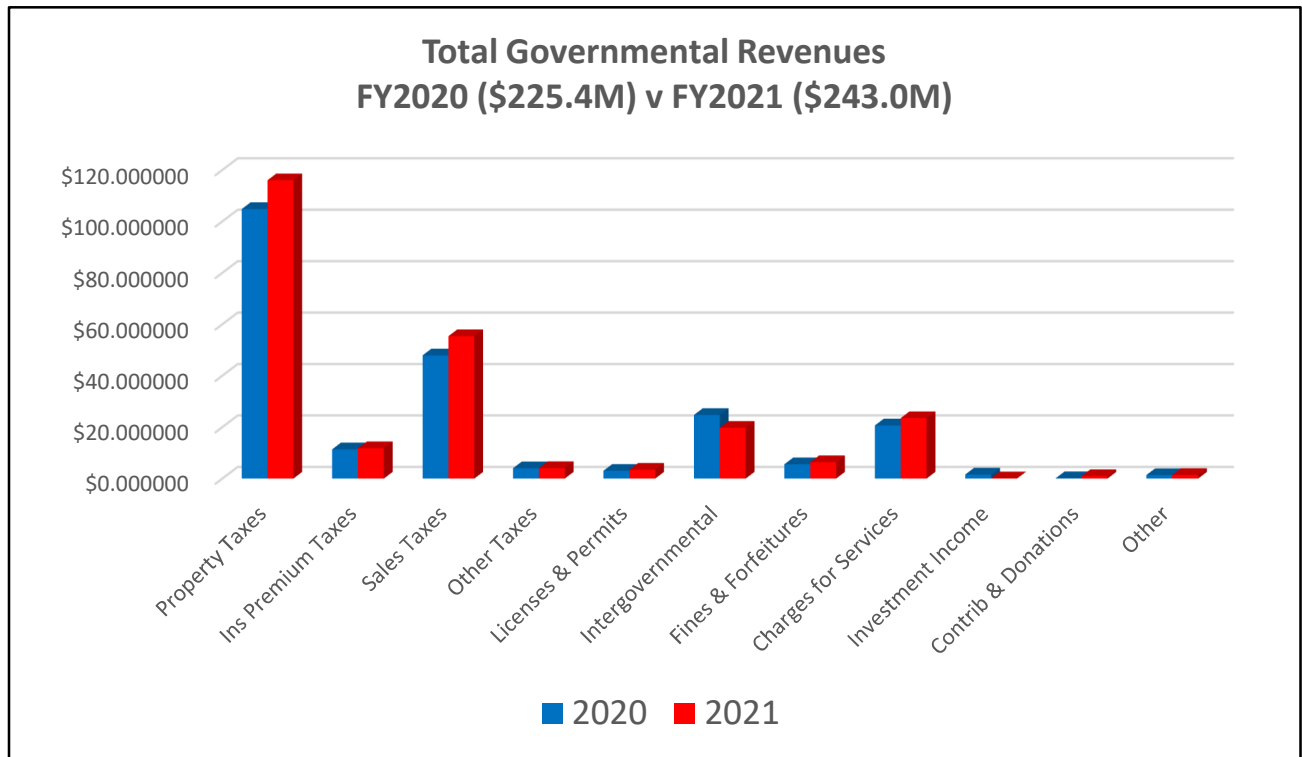
1. Revenues

Revenues for Cherokee County’s governmental funds in FY2021 totaled \$242,983,791.

The majority of funding is from tax revenue, which totals \$187,314,891. Property taxes account for \$116,029,980, sales taxes \$55,394,284, insurance premium taxes of \$11,815,774, alcohol taxes of \$1,261,299 and other miscellaneous taxes of \$2,813,554.



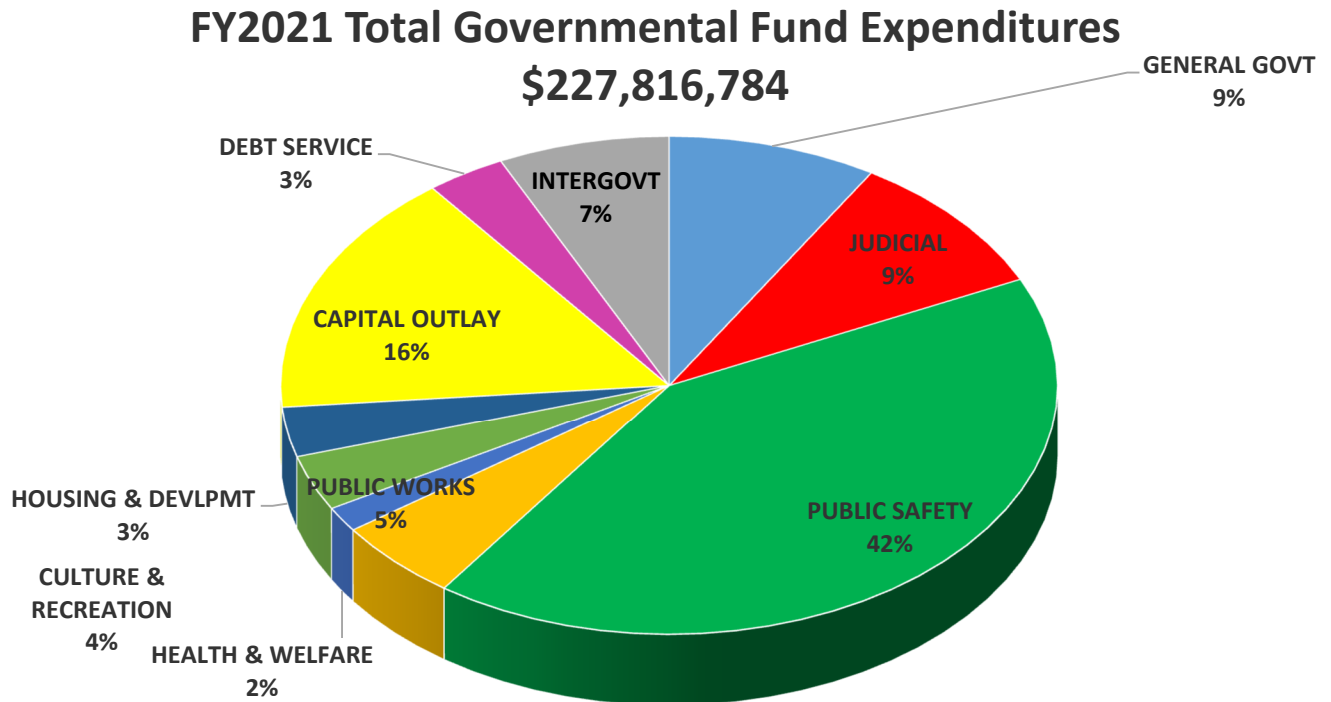
Total revenues increased \$17,626,044 from \$225,357,747 in 2020 to \$242,983,791 in FY2021. There were several factors contributing to the increase:



- The increase in the property taxes was due to several factors:
 - A 6.63% increase in the 2020 Tax Digest of which 3.86% was new growth.
 - There was a large increase in TAVT receipts of \$3.3M (22.60%), Intangibles \$1.2M (29.92%), and Real Estate Transfer \$.4M (45.73%) which were driven by a robust housing market and lower interest rates for home mortgages.
- Sales taxes increased \$7,473,699 from \$47,920,585 in 2020 to \$55,394,284 in 2021. Sales tax has been steadily growing since 2011. The steady growth in the population coupled with retail expansion continues to generate steady growth in sales taxes.
- Intergovernmental revenue decreased from \$24,750,636 in FY2020 to \$19,778,145 in FY2021, a decrease of \$4,972,491. The largest portion of that decrease is attributable to the CARES ACT funding in FY2020.
- The Insurance Premium tax increased from \$11,380,706 in FY2020 to \$11,815,774 in FY2021. This is a tax collected by the state on insurance policies, thus more homes in the county generate more revenue.
- Fines & Forfeitures increased from \$5,592,792 in FY2020 to \$6,387,334 in FY2021. The increase was largely the result of a reduction in fines from the Judicial System due to COVID 19 in FY2020 and the courts reopening in FY2021.

2. Expenditures

Governmental expenditures totaled \$227,816,784. Of this total, 42% was required to support public safety.



Governmental fund expenditures decreased \$232,032 from FY2020 to FY2021, which was a .10% decrease.

- General Government expenditures increased \$3,885,840 from FY2020 to FY2021. This increase covered the 4% COLA that all employees received in FY2021, increased benefit costs, Poll workers and extra supplies for a Presidential election, and the purchase of a new Elections building \$1.66M.
- Judicial expenditures increased \$1,180,815 from FY2020 to FY2021. Salaries (4% COLA) and benefits increased. Courts reopened in FY2021 resulting in higher operating and labor costs.
- Public Safety expenditures increased \$5,079,259 from FY2020 to FY2021. Salaries and benefits increased \$6,384,232, while other expenses decreased \$1,067,070.
- Public Works expenditures increased \$759,392 from FY2020 to FY2021. The increase was due to the 4% COLA and higher Benefit costs.
- Capital Outlay expenditures decreased by \$11,626,874 when comparing FY2020 to FY2021. A substantial portion of the Adult Detention Center expansion project occurred during FY2020 and the grand opening for the facility occurred in FY2021. A reduction in road projects due to labor and material shortages occurred in FY2021. The timing of other SPLOST projects were a contributor to the decrease in spending.

- Debt Service decreased \$2,001,636 in FY2021. There was an additional \$2M principal payment to the RRDA bonds in FY2020 compared to FY2021.
- Intergovernmental Costs decreased \$184,697 from FY2020 to FY2021. Increased SPLOST payments to the cities were the result of increased SPLOST revenue in FY2021. The increase in SPLOST payments to the cities was offset by the FY2020 payment of \$2.5M to the Development Authority, which was not made in FY2021.

3. Fund Balance

The General Fund balance increased by \$7,107,384 and the SPLOST Fund balance increased by \$7,823,250, the total of Cherokee County’s governmental funds reported combined ending fund balances of \$127,743,908, a net increase of \$12,536,853 from the prior year. The General Fund had increases in most revenue areas, but especially in taxes. Taxes in the General Fund increased \$10,141,953. 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 \$52,467,683 of which \$52,039,164, or 99.2%, 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 47.7% of General Fund expenditures and transfers to other funds.

The total fund balance of the SPLOST Funds increased \$7,823,250, from \$38,557,102 to \$46,380,352. The increase was due to increased SPLOST receipts, which outpaced SPLOST expenditures for the year. A number of larger SPLOST projects are scheduled for the upcoming fiscal year.

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 \$10,635,371, which was \$630,130 higher than the FY2020 balance.

General Fund Budgetary Highlights

The original budget for the General Fund expenditures was \$102,810,137 but was amended by \$1,746,436 to \$104,556,573. Below are the budget amendments that account for this increase.

1. An additional \$560,376 for IT Security Upgrades and computer equipment
2. An additional \$580,911 for the Poll Workers and Supplies for Presidential Election
3. An additional \$508,487 for the Sheriff’s department (\$274k due to Inmate Medical)
4. An additional \$96,662 for various departments

CAPITAL ASSET AND DEBT ANALYSIS

1. Capital Assets

As of September 30, 2021, Cherokee County's net investment in capital assets for its governmental activities totaled \$953,246,648. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges. The total of these capital assets decreased \$11,632,757 or 1.2%, as compared to FY2020. Capital asset additions included:

- New Sheriff vehicles
- Machinery and Vehicles for Public Works and Parks
- Various road improvements
- Completion of the Adult Detention Center Facility
- Land purchased for new Parks in NW Cherokee County

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 \$50,185,000.

- \$3,290,000 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 in rental income for the property.
- \$46,895,000 of debt is supported by a separate bond millage rate of 0.434 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 \$1,370,748,000; with outstanding debt of \$47,275,000, we are significantly under the legal limit (less than 4% rather than 10%).

Cherokee County's long term bonded debt decreased \$5,540,000. \$5,000,000 was paid from the yearly principal payments for the Parks Bonds and \$540,000 for the RRDA bond. The County holds a rating of "Aa2" from Moody's Rating Agency and a "AA+" from Standard & Poor's Rating agency.

Additional information on Cherokee County's long-term debt can be found in Note 6 of this report.

STATUS OF CHEROKEE COUNTY'S ECONOMY

- As of September 30, 2021, the unemployment rate for Cherokee County was 1.7%, which was lower than the state rate of 3.2%. Cherokee County was 2.4% lower than a year ago which can be attributed to the return to work after 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. Growth returned after 2020's COVID slowdown, with almost 1,392 new building permits issued in FY2021, 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 \$7,473,699 or 15.6% over FY2020. 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, 2021

	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	\$ 47,895,603	\$ 2,623,133	\$ 50,518,736	\$ 5,214,087	\$ 2,486,681	\$ 1,326,477
Investments	-	-	-	-	-	21,420
Property taxes receivable	90,927,138	-	90,927,138	-	-	-
Accounts receivable	16,103,599	575,388	16,678,987	16,759	35,506	89,306
Due from other governments	7,442,828	-	7,442,828	2,398,587	-	25,826
Inventory	621,308	-	621,308	-	-	-
Prepaid items	517,371	18,873	536,244	140,320	37,487	55,879
Restricted cash and cash equivalents	113,095,389	-	113,095,389	-	-	3,290,594
Restricted investments	-	-	-	-	-	652,794
Other assets	-	-	-	7,830	-	-
Net OPEB asset	-	-	-	791,587	-	-
Capital assets, non-depreciable	331,197,124	-	331,197,124	-	8,710,616	1,447,178
Capital assets, depreciable (net of accumulated depreciation)	622,049,524	2,984,950	625,034,474	356,077	492,188	4,443,013
Total assets	1,229,849,884	6,202,344	1,236,052,228	8,925,247	11,762,478	11,352,487
Deferred Outflows of Resources						
Deferred outflows relating to pension	37,286,376	2,558,844	39,845,220	2,006,528	-	1,003,978
Deferred outflows relating to OPEB	9,105,233	680,472	9,785,705	1,270,434	-	841,929
Total Deferred Outflows of Resources	46,391,609	3,239,316	49,630,925	3,276,962	-	1,845,907
Liabilities						
Accounts payable	10,043,240	80,494	10,123,734	355,229	650	50,429
Accrued liabilities	7,154,705	295,798	7,450,503	-	3,148	67,814
Due to other governments	-	-	-	1,408,187	-	-
Unearned revenue	34,048,457	-	34,048,457	-	-	-
Noncurrent liabilities						
Due within one year						
Long-term obligations	13,263,603	307,851	13,571,454	306,312	-	14,214
Due in more than one year						
Long-term obligations	59,862,048	718,320	60,580,368	306,312	-	56,855
Net pension liability	73,274,148	5,028,568	78,302,716	10,113,494	-	3,606,456
Net OPEB liability	-	-	-	2,471,959	-	3,246,710
Total OPEB liability	13,707,306	1,024,403	14,731,709	-	-	-
Total Liabilities	211,353,507	7,455,434	218,808,941	14,961,493	3,798	7,042,478
Deferred Inflows of Resources						
Deferred revenue-property taxes	97,157,540	-	97,157,540	-	-	-
Deferred inflows relating to pension	9,469,946	649,892	10,119,838	-	-	119,502
Deferred inflows relating to OPEB	5,810,084	434,211	6,244,295	2,484,112	-	865,252
Total Deferred Inflows of Resources	112,437,570	1,084,103	113,521,673	2,484,112	-	984,754
Net Position						
Net investment in capital assets	897,059,214	2,984,950	900,044,164	356,077	9,202,804	5,890,191
Restricted for:						
Law library operations	528,015	-	528,015	-	-	24,514
Senior services	416,670	-	416,670	-	-	-
Public safety	390,169	-	390,169	-	-	-
Court services	1,305,833	-	1,305,833	-	-	-
SPLOST projects	50,890,292	-	50,890,292	-	-	2,001,268
System improvements	-	-	-	-	-	1,022,058
Expendable endowments	-	-	-	-	-	986
Nonexpendable permanent endowments	-	-	-	-	-	875,000
Grant activities	506,363	-	506,363	-	-	-
Jail operation and construction	587,478	-	587,478	-	-	-
E911 operations	3,532,554	-	3,532,554	-	-	-
Health and welfare	638,450	-	638,450	-	-	-
Debt service	912,268	-	912,268	-	-	-
Impact fees	8,576,705	-	8,576,705	-	-	-
Fire protection services	10,636,787	-	10,636,787	-	-	-
Public health programs	-	-	-	2,891,589	-	-
Unrestricted (deficit)	(23,530,382)	(2,082,827)	(25,613,209)	(8,491,062)	2,555,876	(4,642,855)
Total Net Position	\$ 952,450,416	\$ 902,123	\$ 953,352,539	\$ (5,243,396)	\$ 11,758,680	\$ 5,171,162

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Activities
For the Year Ended September 30, 2021

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	\$ 19,603,441	\$ 9,133,081	\$ 2,256,471	\$ -	\$ (8,213,889)	\$ -	\$ (8,213,889)					
Judicial	21,849,361	6,783,547	1,594,923	-	(13,470,891)	-	(13,470,891)					
Public safety	105,509,990	7,352,927	8,952,816	-	(89,204,247)	-	(89,204,247)					
Public works	69,868,513	7,352,716	7,562	10,954,095	(51,554,140)	-	(51,554,140)					
Health and welfare	3,986,700	244,171	1,302,783	-	(2,439,746)	-	(2,439,746)					
Culture and recreation	12,685,936	2,793,019	267,000	-	(9,625,917)	-	(9,625,917)					
Housing and development	7,728,579	-	2,858,490	-	(4,870,089)	-	(4,870,089)					
Interest and fiscal charges	1,399,287	-	-	-	(1,399,287)	-	(1,399,287)					
Total Governmental Activities	242,631,807	33,659,461	17,240,045	10,954,095	(180,778,206)	-	(180,778,206)					
Business-type Activities												
Emergency medical services	10,877,961	5,607,091	-	-	-	(5,270,870)	(5,270,870)					
Conference center	396,024	164,542	-	-	-	(231,482)	(231,482)					
Total Business-type Activities	11,273,985	5,771,633	-	-	-	(5,502,352)	(5,502,352)					
Total Primary Government	\$ 253,905,792	\$ 39,431,094	\$ 17,240,045	\$ 10,954,095	(180,778,206)	(5,502,352)	(186,280,558)					
Component Unit												
Department of Public Health	\$ 24,339,386	\$ 3,999,513	\$ 20,934,823	\$ -				\$ 594,950	\$ -	\$ -		
Development Authority of Cherokee County	1,704,184	335,662	1,160,285	-				-	(208,237)	-		
Sequoyah Regional Library System	5,177,578	150,871	851,688	2,488,292				-	-	(1,686,727)		
Total Component Units	\$ 31,221,148	\$ 4,486,046	\$ 22,946,796	\$ 2,488,292				594,950	(208,237)	(1,686,727)		
General Revenues												
Property taxes					115,682,246	-	115,682,246	-	-	-		
Alcoholic beverage taxes					1,261,299	-	1,261,299	-	-	-		
Franchise taxes					2,468,536	-	2,468,536	-	-	-		
Sales taxes					55,394,284	-	55,394,284	-	-	-		
Insurance premium taxes					11,815,774	-	11,815,774	-	-	-		
Other taxes					345,018	-	345,018	-	-	-		
Miscellaneous					1,250,953	-	1,250,953	-	-	-	4,199,090	
Unrestricted investment earnings					84,757	-	84,757	2,699	6,200	5,690		
Transfers					(4,720,086)	4,720,086	-	-	-	-		
Total General Revenues					183,582,781	4,720,086	188,302,867	2,699	6,200	4,204,780		
Change in Net Position					2,804,575	(782,266)	2,022,309	597,649	(202,037)	2,518,053		
Net Position Beginning of Year					949,645,841	1,684,389	951,330,230	(5,841,045)	11,960,717	2,653,109		
Net Position End of Year					\$ 952,450,416	\$ 902,123	\$ 953,352,539	\$ (5,243,396)	\$ 11,758,680	\$ 5,171,162		

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Balance Sheet
Governmental Funds
September 30, 2021

	<u>General Fund</u>	<u>Fire District Fund</u>	<u>ARPA Grant Fund</u>	<u>SPLOST Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash	\$ 46,369,300	\$ 13,526,638	\$ 23,211,860	\$ 50,515,187	\$ 27,368,007	\$ 160,990,992
Property taxes receivable, net	57,756,089	27,633,268	-	-	5,537,781	90,927,138
Accounts receivable, net	13,636,841	1,217	-	-	528,584	14,166,642
Due from other governments	232,178	-	-	4,727,309	2,483,341	7,442,828
Due from other funds	2,035,102	-	-	-	-	2,035,102
Inventory	4,386	397,446	-	-	-	401,832
Prepaid items	424,133	57,938	-	7,579	25,874	515,524
Total assets	<u>\$ 120,458,029</u>	<u>\$ 41,616,507</u>	<u>\$ 23,211,860</u>	<u>\$ 55,250,075</u>	<u>\$ 35,943,587</u>	<u>\$ 276,480,058</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 1,174,350	\$ 242,737	\$ -	\$ 7,293,781	\$ 1,262,419	\$ 9,973,287
Accrued liabilities	4,928,049	1,068,520	-	119,485	936,504	7,052,558
Due to other funds	-	-	-	-	158,034	158,034
Unearned revenue	-	-	23,211,860	1,456,457	9,380,140	34,048,457
Total liabilities	<u>6,102,399</u>	<u>1,311,257</u>	<u>23,211,860</u>	<u>8,869,723</u>	<u>11,737,097</u>	<u>51,232,336</u>
Deferred Inflows of Resources						
Unavailable revenue-property taxes	61,887,947	29,669,879	-	-	5,945,988	97,503,814
Total deferred inflows of resources	<u>61,887,947</u>	<u>29,669,879</u>	<u>-</u>	<u>-</u>	<u>5,945,988</u>	<u>97,503,814</u>
Fund Balances						
Nonspendable:						
Prepaid items	424,133	57,938	-	7,579	25,874	515,524
Inventory	4,386	397,446	-	-	-	401,832
Restricted:						
Law library operations	-	-	-	-	528,015	528,015
Senior services	-	-	-	-	413,367	413,367
Public safety	-	-	-	-	389,847	389,847
Court services	-	-	-	-	1,305,156	1,305,156
SPLOST projects	-	-	-	46,372,773	-	46,372,773
Grant activities	-	-	-	-	480,049	480,049
Jail operation and construction	-	-	-	-	586,597	586,597
E911 operations	-	-	-	-	3,430,586	3,430,586
Health and welfare	-	-	-	-	635,693	635,693
Debt service	-	-	-	-	912,268	912,268
Impact fees	-	-	-	-	8,576,705	8,576,705
Fire protection services	-	10,179,987	-	-	-	10,179,987
Committed						
Jail and inmate services	-	-	-	-	358,265	358,265
Park and recreation activities	-	-	-	-	890,689	890,689
Unassigned	52,039,164	-	-	-	(272,609)	51,766,555
Total fund balances	<u>52,467,683</u>	<u>10,635,371</u>	<u>-</u>	<u>46,380,352</u>	<u>18,260,502</u>	<u>127,743,908</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 120,458,029</u>	<u>\$ 41,616,507</u>	<u>\$ 23,211,860</u>	<u>\$ 55,250,075</u>	<u>\$ 35,943,587</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.	952,043,568
Other long-term assets are not available to pay for current period expenditures, and therefore, are unavailable in the funds.	346,274
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.	(73,131,469)
Net pension liability, along with related amounts, is not due and payable in the current period and therefore not reported in the funds.	(45,116,518)
Total OPEB liability, along with related amounts, is not due and payable in the current period and therefore not reported in the funds.	(10,412,157)
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.	976,810
Net position of governmental activities	<u>\$ 952,450,416</u>

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, 2021

	General Fund	Fire District Fund	ARPA Grant Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 80,636,369	\$ 29,322,501	\$ -	\$ -	\$ 6,071,110	\$ 116,029,980
Alcoholic beverage taxes	-	-	-	-	1,261,299	1,261,299
Franchise taxes	2,468,536	-	-	-	-	2,468,536
Insurance premium taxes	11,815,774	-	-	-	-	11,815,774
Sales taxes	-	-	-	55,394,284	-	55,394,284
Other taxes	-	-	-	-	345,018	345,018
Licenses and permits	3,476,780	-	-	-	-	3,476,780
Intergovernmental	116,671	7,474,682	1,919,951	3,321,982	6,944,859	19,778,145
Fines and forfeitures	5,226,528	-	-	-	1,160,806	6,387,334
Charges for services	11,049,315	99,328	-	-	12,379,769	23,528,412
Investment earnings	58,970	15,021	-	32,653	10,766	117,410
Contributions and donations	-	7,000	-	-	988,324	995,324
Miscellaneous	874,875	-	-	231,425	279,195	1,385,495
Total revenues	115,723,818	36,918,532	1,919,951	58,980,344	29,441,146	242,983,791
Expenditures						
Current:						
General government	17,194,344	-	1,770,604	66,725	839,266	19,870,939
Judicial	18,228,179	-	15,893	38,103	2,838,358	21,120,533
Public safety	51,234,133	35,941,848	124,920	552,170	7,439,620	95,292,691
Public works	5,914,367	-	3,103	6,118,667	2,542	12,038,679
Health and welfare	647,266	-	1,760	-	3,054,490	3,703,516
Culture and recreation	2,740,845	-	3,671	90,308	5,374,385	8,209,209
Housing and development	4,407,667	-	-	-	3,050,693	7,458,360
Intergovernmental	-	-	-	16,170,444	100,000	16,270,444
Capital Outlay	-	-	-	36,333,793	-	36,333,793
Debt Service						
Principal	393,954	11,917	-	64,008	5,586,277	6,056,156
Interest	56,620	1,016	-	14,221	1,390,607	1,462,464
Total expenditures	100,817,375	35,954,781	1,919,951	59,448,439	29,676,238	227,816,784
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,906,443	963,751	-	(468,095)	(235,092)	15,167,007
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	49,127	2,907	-	1,873,300	10,700	1,936,034
Issuance of capital lease	40,884	-	-	-	-	40,884
Insurance reimbursement	27,656	79,870	-	3,795	1,693	113,014
Transfers in	294,148	-	-	6,414,250	3,926,466	10,634,864
Transfers out	(8,210,874)	(416,398)	-	-	(6,727,678)	(15,354,950)
Total other financing sources (uses)	(7,799,059)	(333,621)	-	8,291,345	(2,788,819)	(2,630,154)
Net Change in Fund Balances	7,107,384	630,130	-	7,823,250	(3,023,911)	12,536,853
Fund Balances Beginning of Year	45,360,299	10,005,241	-	38,557,102	21,284,413	115,207,055
Fund Balances End of Year	\$ 52,467,683	\$ 10,635,371	\$ -	\$ 46,380,352	\$ 18,260,502	\$ 127,743,908

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, 2021

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

Net changes in fund balances - total governmental funds	\$	12,536,853
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.		(16,833,174)
The net effect of various miscellaneous transactions involving capital assets (i.e. donations, sales and trade-ins) is to increase net position.		4,225,049
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(122,300)
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		5,540,000
Principal payments on capital leases		516,156
Capital leases issued		(40,884)
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.		(3,947,865)
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.		930,740
Change in net position of governmental activities	\$	2,804,575

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Net Position
Proprietary Funds
September 30, 2021

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets				
Current assets				
Cash	\$ 1,933,756	\$ 689,377	\$ 2,623,133	\$ -
Receivables, net of allowance	573,405	1,983	575,388	1,936,957
Inventories	-	-	-	219,476
Prepaid items	18,825	48	18,873	1,847
Total current assets	<u>2,525,986</u>	<u>691,408</u>	<u>3,217,394</u>	<u>2,158,280</u>
Noncurrent assets				
Capital assets, net of depreciation	2,963,928	21,022	2,984,950	1,203,080
Total noncurrent assets	<u>2,963,928</u>	<u>21,022</u>	<u>2,984,950</u>	<u>1,203,080</u>
Total assets	<u>5,489,914</u>	<u>712,430</u>	<u>6,202,344</u>	<u>3,361,360</u>
Deferred Outflows of Resources				
Deferred outflows relating to pension	2,558,844	-	2,558,844	279,868
Deferred outflows relating to OPEB	680,472	-	680,472	-
Total deferred outflows of resources	<u>3,239,316</u>	<u>-</u>	<u>3,239,316</u>	<u>279,868</u>
Liabilities				
Current liabilities				
Accounts payable	74,434	6,060	80,494	69,953
Accrued liabilities	285,088	10,710	295,798	38,823
Due to other funds	-	-	-	1,877,068
Compensated absences, due within one year	307,851	-	307,851	17,252
Total current liabilities	<u>667,373</u>	<u>16,770</u>	<u>684,143</u>	<u>2,003,096</u>
Long-term Liabilities (net of current portion)				
Compensated absences, due in more than one year	718,320	-	718,320	40,254
Net pension liability	5,028,568	-	5,028,568	549,988
Total OPEB liability	1,024,403	-	1,024,403	-
Total long-term liabilities	<u>6,771,291</u>	<u>-</u>	<u>6,771,291</u>	<u>590,242</u>
Total Liabilities	<u>7,438,664</u>	<u>16,770</u>	<u>7,455,434</u>	<u>2,593,338</u>
Deferred Inflows of Resources				
Deferred inflows relating to pension	649,892	-	649,892	71,080
Deferred inflows relating to OPEB	434,211	-	434,211	-
Total deferred inflows of resources	<u>1,084,103</u>	<u>-</u>	<u>1,084,103</u>	<u>71,080</u>
Net Position				
Investment in capital assets	2,963,928	21,022	2,984,950	1,203,080
Unrestricted (deficit)	<u>(2,757,465)</u>	<u>674,638</u>	<u>(2,082,827)</u>	<u>(226,270)</u>
Total Net Position	<u>\$ 206,463</u>	<u>\$ 695,660</u>	<u>\$ 902,123</u>	<u>\$ 976,810</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, 2021

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
Operating Revenues				
Charges for services	\$ 5,588,181	\$ 164,510	\$ 5,752,691	\$ 23,992,055
Miscellaneous revenue	-	32	32	2,734,768
Intergovernmental revenue	18,910	-	18,910	-
Total operating revenues	<u>5,607,091</u>	<u>164,542</u>	<u>5,771,633</u>	<u>26,726,823</u>
Operating Expenses				
Personal services	8,705,531	-	8,705,531	1,108,153
Contractual services	736,301	311,829	1,048,130	2,209,833
Claims paid	-	-	-	22,591,417
Supplies	891,082	68,758	959,840	862,048
Depreciation	460,549	15,437	475,986	36,798
Total operating expenses	<u>10,793,463</u>	<u>396,024</u>	<u>11,189,487</u>	<u>26,808,249</u>
Operating income (loss)	(5,186,372)	(231,482)	(5,417,854)	(81,426)
Nonoperating Revenue				
Loss on sale of capital assets	(84,498)	-	(84,498)	-
Total nonoperating revenue	<u>(84,498)</u>	<u>-</u>	<u>(84,498)</u>	<u>-</u>
Change in net position before transfers and capital contributions	<u>(5,270,870)</u>	<u>(231,482)</u>	<u>(5,502,352)</u>	<u>(81,426)</u>
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,012,166</u>
Transfers				
Transfers in	4,440,068	280,018	4,720,086	-
Total transfers	<u>4,440,068</u>	<u>280,018</u>	<u>4,720,086</u>	<u>-</u>
Change in net position	<u>(830,802)</u>	<u>48,536</u>	<u>(782,266)</u>	<u>930,740</u>
Net Position Beginning of Year	<u>1,037,265</u>	<u>647,124</u>	<u>1,684,389</u>	<u>46,070</u>
Net Position End of Year	<u>\$ 206,463</u>	<u>\$ 695,660</u>	<u>\$ 902,123</u>	<u>\$ 976,810</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2021

	<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	\$ 5,676,419	\$ 162,959	\$ 5,839,378	\$ -
Receipts from other funds	18,910	-	18,910	27,138,522
Payments to employees	(8,105,932)	-	(8,105,932)	(1,107,577)
Payments to suppliers for services provided	(1,625,890)	(398,914)	(2,024,804)	(26,030,945)
Net Cash Provided by (Used in) Operating Activities	<u>(4,036,493)</u>	<u>(235,955)</u>	<u>(4,272,448)</u>	<u>-</u>
Cash Flows from Capital Financing Activities				
Proceeds from sale of capital assets	6,700	-	6,700	-
Purchase of capital assets	(49,965)	-	(49,965)	-
Insurance reimbursement	21,520	-	21,520	-
Net Cash Provided by (Used in) Capital Financing Activities	<u>(21,745)</u>	<u>-</u>	<u>(21,745)</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities				
Transfers in	4,440,068	280,018	4,720,086	-
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>4,440,068</u>	<u>280,018</u>	<u>4,720,086</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	381,830	44,063	425,893	-
Cash and Cash Equivalents Beginning of Year	<u>1,551,926</u>	<u>645,314</u>	<u>2,197,240</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u>\$ 1,933,756</u>	<u>\$ 689,377</u>	<u>\$ 2,623,133</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (5,186,372)	\$ (231,482)	\$ (5,417,854)	\$ (81,426)
Adjustments -				
Depreciation	460,549	15,437	475,986	36,798
(Increase) Decrease in:				
Accounts receivable	88,238	(1,583)	86,655	(1,069,486)
Prepaid items	(18,728)	-	(18,728)	(1,774)
Inventories	-	-	-	13,054
Deferred outflows of resources	286,310	-	286,310	87,452
Increase (Decrease) in:				
Accounts payable	(49,777)	(9,800)	(59,577)	(381,842)
Accrued expenses	69,998	(8,527)	61,471	2,915
Due to other funds	-	-	-	1,481,185
Compensated absences payable	149,523	-	149,523	12,762
Net pension liability	(499,809)	-	(499,809)	(132,025)
Total OPEB liability	383,903	-	383,903	-
Deferred inflows of resources	279,672	-	279,672	32,387
Net Cash Provided by (Used in) Operating Activities	<u>\$ (4,036,493)</u>	<u>\$ (235,955)</u>	<u>\$ (4,272,448)</u>	<u>\$ -</u>
Schedule of noncash capital and related financing activities				
Contribution of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,012,166</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2021

	Custodial Funds
Assets	
Cash	\$ 23,027,500
Taxes and other receivables	296,960,120
Total assets	319,987,620
Liabilities	
Due to others	14,765,976
Uncollected taxes	296,960,120
Total liabilities	311,726,096
Net Position	
Restricted	
Individuals, organizations and other governments	8,261,524
Total net position	\$ 8,261,524

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2021

	Custodial Funds
Additions	
Taxes collected for other governments	\$ 368,284,367
Fines collected for other governments	39,601,577
Total additions	407,885,944
Deductions	
Payment of taxes to other governments	368,284,367
Payment of fines to other governments	42,449,897
Total deductions	410,734,264
Change in net position	(2,848,320)
Net Position Beginning of Year, as restated	11,109,844
Net Position End of Year	\$ 8,261,524

See accompanying notes to the basic financial statements

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2021 the Library received \$2,824,548 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, 2021

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 \$296,580 to the ARC for the year ended September 30, 2021. 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, 2021

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 ***ARPA Grant Fund*** is used to account for the ARPA grant proceeds.

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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

The County reports the following major proprietary fund:

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

Additionally, the County reports the following fund types:

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

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

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

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

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.

Custodial 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, 2021

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, 2021, the County’s investment in Georgia 1 was rated AA Af 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, 2021

Payments to vendors for services that will benefit periods beyond September 30, 2021, are recorded as prepaid items. Prepaid items reported in the governmental funds are also equally offset by a nonspendable fund balance category, which indicates that they do not constitute “available, spendable financial resources” even though they are a component of net current assets. The consumption method is used to account for prepaid items within the County’s funds.

G. Capital Assets

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

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

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

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

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

H. Deferred Outflows/ Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The County has two items which qualify for reporting in this category. They are the deferred outflows of resources related to the recording of changes in its net pension liability and its total OPEB liability. Certain changes in 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, 2021

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, 2021

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, 2021

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:	\$ (50,185,000)
Less: Underwriters discount	98,179
Add: Original issue premium	(379,894)
Capital lease payable	(775,033)
Accrued interest payable	(63,324)
Claims payable	(1,571,979)
Landfill postclosure costs	(3,659,450)
Compensated absences	<u>(16,594,968)</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u><u>\$ (73,131,469)</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	\$ 7,182,182
Disposal of capital assets	(1,944,967)
Transfer of capital assets to Internal Service fund	<u>(1,012,166)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net position-governmental activities	<u><u>\$ 4,225,049</u></u>

CHEROKEE COUNTY, GEORGIA
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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	\$ 37,598,656
Depreciation expense	<u>(54,431,830)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (16,833,174)</u></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	\$ (1,242,985)
Insurance claims	(532,877)
Amortization expense	79,355
Pension expense	(3,135,962)
OPEB expense	(1,640,457)
Landfill monitoring costs	2,541,239
Interest expense	<u>(16,178)</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (3,947,865)</u></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, 2021, the County had the following investments:

Investment	Maturity	Amount
Georgia Fund 1	40 day WAM	<u>\$ 11,907,362</u>
		<u><u>\$ 11,907,362</u></u>

The County reports its investments in Georgia Fund 1 as cash equivalents in the financial statements as of September 30, 2021.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2021, the County was not exposed to custodial credit risk.

NOTE 4. RECEIVABLES

Receivables at September 30, 2021, for the County's individual major funds and nonmajor funds are as follows:

	General Fund	Fire District	Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Receivables:			
Property taxes	\$ 58,100,141	\$ 27,798,739	\$ 5,570,852
Accounts	13,806,683	1,217	528,584
Gross receivables	<u>71,906,824</u>	<u>27,799,956</u>	<u>6,099,436</u>
Less allowance for uncollectibles	513,894	165,471	33,071
Net receivables	<u><u>\$ 71,392,930</u></u>	<u><u>\$ 27,634,485</u></u>	<u><u>\$ 6,066,365</u></u>
		Non-major Conference Center	Internal Service Funds
	EMS	<u> </u>	<u> </u>
Receivables:			
Accounts	\$ 22,741,539	\$ 1,983	\$ 1,936,957
Less allowance for uncollectibles	22,168,134	-	-
Net total receivables	<u><u>\$ 573,405</u></u>	<u><u>\$ 1,983</u></u>	<u><u>\$ 1,936,957</u></u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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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, the City of Canton, and the City of Nelson 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 July based on assessed values on January 1st and are due on November 15th 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.

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	\$ 291,935,725	\$ 9,682,251	\$ -	\$ (1,625,000)	\$ 299,992,976
Construction in progress	78,357,521	25,792,315	(72,854,776)	(90,912)	31,204,148
Total	<u>370,293,246</u>	<u>35,474,566</u>	<u>(72,854,776)</u>	<u>(1,715,912)</u>	<u>331,197,124</u>
Capital assets, being depreciated:					
Buildings and improvements	202,899,940	2,024,368	46,332,432	(91,008)	251,165,732
Machinery and equipment	25,030,393	1,020,832	-	(530,010)	25,521,215
Vehicles	38,050,499	1,304,333	2,694,431	(1,821,020)	40,228,243
Infrastructure	1,096,304,508	4,956,739	23,827,913	-	1,125,089,160
Total	<u>1,362,285,340</u>	<u>9,306,272</u>	<u>72,854,776</u>	<u>(2,442,038)</u>	<u>1,442,004,350</u>
Less accumulated depreciation for:					
Buildings and improvements	66,631,187	6,683,033	-	(67,576)	73,246,644
Machinery and equipment	20,853,822	1,351,617	-	(402,779)	21,802,660
Vehicles	23,431,021	2,954,527	-	(1,742,628)	24,642,920
Infrastructure	656,783,151	43,479,451	-	-	700,262,602
Total	<u>767,699,181</u>	<u>54,468,628</u>	<u>-</u>	<u>(2,212,983)</u>	<u>819,954,826</u>
Total capital assets, being depreciated, net	<u>594,586,159</u>	<u>(45,162,356)</u>	<u>72,854,776</u>	<u>(229,055)</u>	<u>622,049,524</u>
Governmental activities capital assets, net	<u>\$ 964,879,405</u>	<u>\$ (9,687,790)</u>	<u>\$ -</u>	<u>\$ (1,944,967)</u>	<u>\$ 953,246,648</u>

Internal service funds predominately serve the governmental funds. Accordingly, capital assets for the Fleet Services Internal Service Fund totaling \$1,818,832 with accumulated depreciation of \$615,752 are included as part of the above totals for governmental activities at the current fiscal year end.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Business-type activities:					
Capital assets, being depreciated:					
Machinery and equipment	\$ 5,917,732	\$ 49,965	\$ -	\$ (310,948)	\$ 5,656,749
Less accumulated depreciation for:					
Machinery and equipment	2,394,043	475,986	-	(198,230)	2,671,799
Total depreciable capital assets, net	3,523,689	(426,021)	-	(112,718)	2,984,950
Business-type activities capital assets, net	<u>\$ 3,523,689</u>	<u>\$ (426,021)</u>	<u>\$ -</u>	<u>\$ (112,718)</u>	<u>\$ 2,984,950</u>

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

Governmental activities:	
General government	\$ 996,695
Judicial	445,192
Public safety	4,743,398
Public works	43,994,293
Health and welfare	315,644
Culture and recreation	3,805,168
Housing and development	131,440
Fleet services	36,798
Total depreciation expense- governmental activities	<u>\$ 54,468,628</u>
Business-type activities:	
Emergency Medical Services Fund	\$ 460,549
Conference Center Fund	15,437
	<u>\$ 475,986</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	\$331,197,124	\$ -	\$331,197,124
Capital assets, depreciable, net	622,049,524	2,984,950	625,034,474
Bonds payable	(50,466,715)	-	(50,466,715)
Capital leases payable	(775,033)	-	(775,033)
Retainage and accounts payable	(4,945,686)	-	(4,945,686)
Net investment in capital assets	<u>\$897,059,214</u>	<u>\$ 2,984,950</u>	<u>\$900,044,164</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 4,592,547	\$ 2,632,861	\$ -	\$ 7,225,408
Construction in progress	1,371,074	114,134	-	1,485,208
Total capital assets, not being depreciated	<u>5,963,621</u>	<u>2,746,995</u>	<u>-</u>	<u>8,710,616</u>
Capital assets, being depreciated				
Machinery and equipment	1,052,095	98,000	-	1,150,095
Less accumulated depreciation for:				
Machinery and equipment	561,120	96,787	-	657,907
Total capital assets, being depreciated, net	<u>490,975</u>	<u>1,213</u>	<u>-</u>	<u>492,188</u>
Total capital assets, net	<u>\$ 6,454,596</u>	<u>\$ 2,748,208</u>	<u>\$ -</u>	<u>\$ 9,202,804</u>

NOTE 6. LONG-TERM OBLIGATIONS

A. Primary Government

The following is a summary of long-term obligations activity for the year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Debt:					
Bonds payable	\$ 55,725,000	\$ -	\$ (5,540,000)	\$ 50,185,000	\$ 5,745,000
Less: discounts	(108,939)	-	10,760	(98,179)	-
Add: premiums	470,009	-	(90,115)	379,894	-
Bonds payable, net	<u>56,086,070</u>	<u>-</u>	<u>(5,619,355)</u>	<u>50,466,715</u>	<u>5,745,000</u>
Capital leases	1,250,305	40,884	(516,156)	775,033	422,900
Total debt	<u>57,336,375</u>	<u>40,884</u>	<u>(6,135,511)</u>	<u>51,241,748</u>	<u>6,167,900</u>
Other long-term obligations:					
Claims payable	1,039,102	1,222,100	(689,223)	1,571,979	1,178,984
Compensated absences	15,396,727	4,772,666	(3,516,919)	16,652,474	4,995,742
Landfill postclosure	6,200,689	-	(2,541,239)	3,659,450	920,977
Total other long-term obligations	<u>22,636,518</u>	<u>5,994,766</u>	<u>(6,747,381)</u>	<u>21,883,903</u>	<u>7,095,703</u>
Governmental activities					
Long-term liabilities	<u>\$ 79,972,893</u>	<u>\$ 6,035,650</u>	<u>\$ (12,882,892)</u>	<u>\$ 73,125,651</u>	<u>\$ 13,263,603</u>
Business-type activities:					
Other long-term obligations:					
Compensated absences	\$ 876,648	\$ 370,561	\$ (221,038)	\$ 1,026,171	\$ 307,851
Business-type activities					
Long-term liabilities	<u>\$ 876,648</u>	<u>\$ 370,561</u>	<u>\$ (221,038)</u>	<u>\$ 1,026,171</u>	<u>\$ 307,851</u>

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

CHEROKEE COUNTY, GEORGIA
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Bonds payable (Direct Borrowing/Placements). The County has general obligation bonds payable and a solid waste disposal revenue bond outstanding at September 30, 2021, 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	\$ 2,840,000
Resource recovery revenue bond-2007B	5.80%	15 years	2022	4,940,000	450,000
Recovery zone economic development bond-2010	4.52%	15 years	2025	10,767,000	5,167,000
Recreation bond- 2012	1.90%	15 years	2026	11,410,000	2,785,000
Recreation bond- 2014	2.84%	15 years	2029	22,823,000	16,943,000
Refunding bond- 2016	1.67%	14 years	2029	28,450,000	22,000,000
				Plus unamortized premium	379,894
				Less unamortized discount	(98,179)
					<u>\$ 50,466,715</u>
				Less current maturities	5,745,000
					<u><u>\$ 44,721,715</u></u>

The 2016 Refunding bonds were issued to refund a portion of the Series 2009 Parks and Recreation bonds. The refunding reduced total debt service payments by \$3,617,333, resulting in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,252,728. The amount of defeased debt outstanding but removed for the County's records totaled \$21,185,000 at September 30, 2021.

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

Fiscal Year Ending September 30,	Principal	Interest
2022	\$ 5,745,000	\$ 1,227,037
2023	5,950,000	1,059,375
2024	6,170,000	889,041
2025	6,390,000	710,228
2026	6,625,000	542,561
2027-2029	19,305,000	700,282
	<u>\$ 50,185,000</u>	<u>\$ 5,128,524</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 2025. The gross amount of Governmental Activities capital assets on the balance sheet recorded under capital leases is \$2,648,471 and accumulated depreciation is \$1,888,838. Amortization expense of the assets recorded under the capital leases is included in depreciation expense. The debt service requirements on these leases are as follows:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Fiscal Year Ending September 30,	Principal	Interest
2022	\$ 422,900	\$ 34,377
2023	221,832	14,070
2024	99,957	3,154
2025	30,344	291
	<u>\$ 775,033</u>	<u>\$ 51,892</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 \$3,659,450 over the next 6 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, 2021. 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, 2021, that amount was \$1,370,748,000. As of September 30, 2021, the total outstanding debt applicable to the limit was \$47,275,000.

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, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 653,440	\$ 285,904	\$ 326,720	\$ 612,624	\$ 306,312
Total long-term obligations	<u>\$ 653,440</u>	<u>\$ 285,904</u>	<u>\$ 326,720</u>	<u>\$ 612,624</u>	<u>\$ 306,312</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, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 67,209	\$ 121,321	\$ 117,461	\$ 71,069	\$ 14,214
Total long-term obligations	<u>\$ 67,209</u>	<u>\$ 121,321</u>	<u>\$ 117,461</u>	<u>\$ 71,069</u>	<u>\$ 14,214</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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NOTE 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 158,034
General Fund	Internal Service Funds	1,877,068
		<u>\$ 2,035,102</u>

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

Transfers between the funds as of September 30, 2021 are as follows:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 150,000
General Fund	Fire District	144,148
		<u>294,148</u>
Nonmajor governmental funds	General fund	3,770,806
Nonmajor governmental funds	Nonmajor governmental funds	155,660
		<u>3,926,466</u>
SPLOST	Fire District	272,250
SPLOST	Nonmajor governmental funds	6,142,000
		<u>6,414,250</u>
EMS	General fund	4,440,068
		<u>4,440,068</u>
Nonmajor proprietary funds	Nonmajor governmental funds	280,018
		<u>280,018</u>
		<u>\$ 15,354,950</u>

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

CHEROKEE COUNTY, GEORGIA
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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.

Plan Membership. As of January 1, 2021, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees, Beneficiaries, and Disables receiving benefits	455
Terminated plan participants entitled to but not yet receiving benefits	1,043
Active employees participating in the Plan	<u>1,721</u>
Total number of Plan participants	<u><u>3,219</u></u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is 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, 2021, the County’s contribution rate was 17.47% of annual payroll. County contributions to the Plan were \$13,690,849 for the year ended September 30, 2021.

Net Pension Liability of the County. The County’s net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2020 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2020.

Actuarial Assumptions. The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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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 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 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 2020.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study through February 2019.

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, 2020 are summarized in the table below:

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	25.00%	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, 2021 were as follows:

CHEROKEE COUNTY, GEORGIA
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	Total Pension Liability (a)	Net Fiduciary Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2019	\$ 192,893,399	\$ 105,663,139	\$ 87,230,260
Changes for the year:			
Service cost	6,421,045	-	6,421,045
Interest	13,222,898	-	13,222,898
Contributions - employer	-	12,978,063	(12,978,063)
Contributions - employee	-	5,109,928	(5,109,928)
Net investment income	-	16,177,398	(16,177,398)
Benefit payments, including refunds of employee contributions	(7,989,706)	(7,989,706)	-
Administrative expense	-	(273,657)	273,657
Changes in assumptions	288,975	-	288,975
Differences in expected and actual experience	4,591,091	-	4,591,091
Plan change	-	-	-
Other changes	-	(540,179)	540,179
Net changes	16,534,303	25,461,847	(8,927,544)
Balances at December 31, 2020	\$ 209,427,702	\$ 131,124,986	\$ 78,302,716

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:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$ 109,191,507	\$ 78,302,716	\$ 52,977,132

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, 2020 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, 2021, the County recognized pension expense of \$17,069,708. At September 30, 2021, the County reported deferred outflows of resources related to pensions from the following sources:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (10,119,838)
Differences between expected and actual experience	15,762,886	-
Assumption changes	14,112,219	-
Contributions made after the measurement date	9,970,115	-
Total	\$ 39,845,220	\$ (10,119,838)

The County's contributions subsequent to the measurement date of \$9,970,115 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, 2022. The other amount reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2022	\$ 9,077,229
2023	8,692,397
2024	2,603,058
2025	(617,417)
2026	-
	\$ 19,755,267

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 Voya. 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, 2021, there were 288 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, 2021, the County's contribution to the Plan was \$37,204. 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.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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 \$777.66 for retiree only, \$1,258.14 for retiree plus spouse, per month towards the actuarially calculated monthly rates (i.e., the Fully Insured Equivalent rates).

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

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

Plan Membership. The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of September 30, 2020.

Active employees	1,263
Retirees	34
Total number of Plan participants	1,297

Total OPEB Liability. The County’s total OPEB liability was determined by an actuarial valuation as of September 30, 2020 and rolled forward to the measurement date of September 30, 2021.

Actuarial assumptions. The total OPEB liability as of September 30, 2021 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%	
Salary increases	4.00%	
Discount Rate	2.43%	
Healthcare cost trend rate	6.30%	
Retirees' share of benefits related costs		Retirees pay 100% of the total premium for medical, dental, and vision benefits, unless they have 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 2021 are \$777.66 for the Retiree, and \$480.48 for spouse.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

The discount rate was based on S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2021.

Mortality rates were based on the Pub-2010 GE (50%) & PS (50%), Amt-Weighted with Scale AA to 2021.

The actuarial assumptions used in the September 30, 2020 valuation were based on the results of February 2019 experience study.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at 9/30/2020	\$ 10,274,923
Changes for the year:	
Service cost	1,135,366
Interest	249,681
Differences between expected and actual experience	2,580,558
Changes of assumptions	589,947
Changes in benefit terms	-
Employer contributions	(98,766)
Net changes	4,456,786
Balances at 9/30/2021	\$ 14,731,709

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 (1.43%) or 1-percentage-point higher (3.43%) than the current discount rate:

	1% Decrease (1.43%)	Discount Rate (2.43%)	1% Increase (3.43%)
Total OPEB liability (asset)	\$ 16,234,646	\$ 14,731,709	\$ 13,354,770

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

	1% Decrease (5.3%)	Healthcare Cost Trend Rates (6.3%)	1% Increase (7.3%)
Total OPEB liability (asset)	\$ 12,806,580	\$ 14,731,709	\$ 17,058,566

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2021, the County recognized OPEB expense of \$1,842,540. At September 30, 2021, 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	\$ -	\$ 6,244,295
Changes of assumptions	9,785,705	-
Net difference between projected and Total	\$ 9,785,705	\$ 6,244,295

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,			
2022	\$	549,172	
2023		549,172	
2024		549,172	
2025		538,880	
2026		525,133	
Thereafter		829,881	
	\$	3,541,410	

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. The County has 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, 2021

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
2021	\$ 1,039,102	\$ 1,222,100	\$ 689,223	\$ 1,571,979
2020	685,684	1,331,548	978,130	1,039,102
2019	400,587	1,076,293	791,196	685,684

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at September 30, 2021, the County has contractual commitments on uncompleted contracts of \$18,824,559.

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:

In March 2020, the World Health Organization categorized COVID-19 as a pandemic and the President of the United States declared a national emergency. Through September 30, 2021, the COVID-19 pandemic had a limited financial impact on the County. Should the COVID-19 pandemic continue for a prolonged period or impact the County more significantly than it has to date, the County's financial condition and cash flows could be impacted in more significant ways.

NOTE 13. FUND BALANCE/NET POSITION DEFICITS

A fund balance deficit of \$126,554 and \$145,684 exists in the CDBG Fund and the Debt Service Fund, respectively. It is expected that grant and property tax revenues in future years will provide positive fund balance.

NOTE 14. HOTEL/MOTEL LODGING TAX

The County has levied a 6% lodging tax. During the fiscal year ended September 30, 2021, the County spent \$345,018 to promote tourism, conventions, and trade shows. This is 100% of the tax receipts to be expended for these purposes under the Official Code of Georgia Annotated 48-13-51. The County complies with the requirement under this law.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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 2021, 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 \$413,896 during the fiscal year ended September 30, 2021.

NOTE 16. RESTATEMENT

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, the County is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the County determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the implementation of GASB Statement No. 84, the following restatement was required to the beginning net position of the Fiduciary Activities to properly report the custodial funds.

	Fiduciary Activities
Beginning Net Position before Restatement	\$ -
Restatement - Custodial Funds	11,109,844
Beginning Net Position after Restatement	\$ 11,109,844

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability							
Service cost	\$ 6,421,045	\$ 5,690,160	\$ 4,591,333	\$ 4,243,211	\$ 3,704,315	\$ 3,343,650	\$ 3,232,735
Interest on total pension liability	13,222,898	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	(7,989,706)	(7,359,415)	(8,075,492)	(7,123,049)	(5,725,728)	(5,402,934)	(4,931,584)
Changes in assumptions	288,975	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	4,591,091	12,264,924	3,586,890	7,274,695	3,745,052	2,722,097	-
Net change in total pension liability	16,534,303	27,926,640	27,622,965	13,373,313	13,906,020	11,240,093	5,142,367
Total pension liability-beginning	192,893,399	164,966,759	137,343,794	123,970,481	110,064,461	98,824,368	93,682,001
Total pension liability-ending (a)	<u>\$ 209,427,702</u>	<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	\$ 12,978,063	\$ 11,006,853	\$ 9,012,774	\$ 6,983,937	\$ 5,098,795	\$ 3,211,208	\$ 3,284,519
Contributions-employee	5,109,928	4,499,616	4,152,868	3,892,462	3,661,184	3,415,883	3,161,975
Net investment income	16,177,398	17,660,259	(4,044,856)	10,840,433	4,409,878	462,301	3,735,315
Benefit payments, including refunds of employee contributions	(7,989,706)	(7,359,415)	(8,075,493)	(7,123,049)	(5,725,728)	(5,207,647)	(4,931,584)
Administrative expenses	(273,657)	(247,038)	(222,709)	(211,606)	(199,710)	(189,319)	(172,667)
Other	(540,179)	(514,156)	(441,080)	(558,648)	(543,269)	(669,631)	(89,595)
Net change in plan fiduciary net position	25,461,847	25,046,119	381,504	13,823,529	6,701,150	1,022,795	4,987,963
Plan fiduciary net position-beginning	105,663,139	80,617,020	80,235,516	66,411,987	59,710,837	58,688,042	53,700,079
Plan fiduciary net position-ending (b)	<u>\$ 131,124,986</u>	<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>\$ 78,302,716</u>	<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	62.61%	54.78%	48.87%	58.42%	53.57%	54.25%	59.39%
Covered payroll	\$ 72,287,571	\$ 66,430,660	\$ 62,731,597	\$ 67,376,355	\$ 55,298,160	\$ 51,554,723	\$ 48,386,989
County's net pension liability as a percentage of covered payroll	108.32%	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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 12,372,169	\$ 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>13,690,849</u>	<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>\$ (1,318,680)</u>	<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	 \$ 78,386,428	 \$ 72,287,571	 \$ 66,430,660	 \$ 62,731,597	 \$ 67,376,355	 \$ 55,298,160	 \$ 51,554,723	 \$ 48,386,989
 Contributions as a percentage of covered payroll	 17.47%	 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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 1,135,366	\$ 703,863	\$ 571,586	\$ 383,243
Interest on total OPEB liability	249,681	183,934	207,342	206,055
Changes of benefit terms	-	-	2,854,622	-
Differences between expected and actual experience	2,580,558	(191,151)	(300,694)	(12,009,229)
Changes of assumptions or other inputs	589,947	1,383,046	(151,375)	12,356,713
Employer contributions	(98,766)	(399,810)	(378,111)	(639,899)
Net change in total OPEB liability	<u>4,456,786</u>	<u>1,679,882</u>	<u>2,803,370</u>	<u>296,883</u>
Total OPEB liability - beginning	<u>10,274,923</u>	<u>8,595,041</u>	<u>5,791,671</u>	<u>5,494,788</u>
Total OPEB liability - ending	<u>\$ 14,731,709</u>	<u>\$ 10,274,923</u>	<u>\$ 8,595,041</u>	<u>\$ 5,791,671</u>
Covered payroll	\$ 62,890,176	\$ 65,406,912	\$ 63,501,856	\$ 58,902,161
County's total OPEB liability as a percentage of covered payroll	23.42%	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 2021, the discount rate was increased from 2.14% to 2.43%.

In 2021, the medical trend rate was increased from 6.10% to 6.30%.

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 73,898,267	\$ 75,323,548	\$ 80,636,369	\$ 5,312,821
Franchise taxes	2,525,000	2,525,000	2,468,536	(56,464)
Insurance premiums taxes	11,400,000	11,406,087	11,815,774	409,687
Licenses and permits	2,812,000	2,812,000	3,476,780	664,780
Intergovernmental	105,000	105,000	116,671	11,671
Fines and forfeitures	4,396,000	4,441,324	5,226,528	785,204
Charges for services	10,514,585	10,529,585	11,049,315	519,730
Interest	250,000	250,000	58,970	(191,030)
Other	828,730	851,326	874,875	23,549
Total revenues	<u>106,729,582</u>	<u>108,243,870</u>	<u>115,723,818</u>	<u>7,479,948</u>
Expenditures				
Current:				
General government				
County commission	345,002	346,388	345,661	727
County manager	880,099	802,462	778,677	23,785
County clerk	251,298	281,814	281,668	146
Administrative services agencies	260,589	260,589	228,597	31,992
Elections	872,067	1,452,978	1,451,233	1,745
Finance	966,599	966,599	928,621	37,978
Purchasing	346,339	346,339	340,091	6,248
County attorney	360,583	360,583	351,903	8,680
Data processing	3,075,258	3,635,634	3,560,612	75,022
Human resources	380,424	386,350	385,330	1,020
Tax commissioner	2,315,865	2,315,865	2,063,496	252,369
Tax commissioner (TAVT)	268,185	268,185	212,541	55,644
Tax assessor	2,843,450	2,855,307	2,722,638	132,669
Development services administration	538,694	538,694	498,298	40,396
GIS/mapping	358,050	358,050	342,114	15,936
Building and grounds	2,215,291	2,219,430	2,218,561	869
General administration	645,383	283,526	64,419	219,107
Rental property	21,070	21,070	16,405	4,665
Risk management	130,276	130,276	127,221	3,055
Communications	283,044	283,044	267,382	15,662
Capital Projects	16,608	16,608	8,876	7,732
Total general government	<u>17,374,174</u>	<u>18,129,791</u>	<u>17,194,344</u>	<u>935,447</u>
Judicial				
Court administration	2,030,363	2,030,363	1,685,936	344,427
Superior court	536,327	536,327	499,382	36,945
Clerk of superior court	4,287,412	4,308,214	4,296,589	11,625
Board of equalization	26,840	26,840	13,804	13,036
Clerk of court technology fund	163,000	163,000	35,620	127,380
District attorney	3,759,265	3,759,265	3,675,213	84,052
State court	1,100,191	1,100,191	965,599	134,592

(continued on next page)

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Judicial (continued)				
State court solicitor	2,177,033	2,177,033	2,080,409	96,624
Magistrate court	516,499	516,499	503,462	13,037
Probate court	988,992	1,034,316	1,028,973	5,343
Indigent defense	2,555,877	2,555,877	2,054,820	501,057
Office of solicitor general	46,000	46,000	9,574	36,426
Juvenile court	1,454,794	1,454,794	1,369,001	85,793
Juvenile court supervision	64,780	64,780	9,797	54,983
Total judicial	<u>19,707,373</u>	<u>19,773,499</u>	<u>18,228,179</u>	<u>1,545,320</u>
Public safety				
Coroner	225,432	241,386	241,385	1
Vice control	1,587,635	1,506,269	1,503,364	2,905
Law enforcement administration	3,663,932	4,010,859	4,006,497	4,362
Criminal investigation	4,449,524	4,389,236	4,381,974	7,262
Uniform patrol	10,650,892	11,540,107	11,534,438	5,669
Sheriff training division	1,336,926	1,789,052	1,787,020	2,032
Intelligence division	135,169	86,693	86,112	581
Special operations	2,961,680	3,022,119	3,017,178	4,941
Adult detention facility	19,259,135	18,263,730	18,250,507	13,223
Emergency management	355,494	414,165	408,063	6,102
Court services	2,814,860	3,015,229	3,014,502	727
Office of professional standards	382,677	150,219	150,221	(2)
Sheriff crossing guard	218,555	218,555	195,959	22,596
Animal control	517,665	517,665	445,729	71,936
Animal shelter	1,418,815	1,423,015	1,319,825	103,190
Probation	910,127	910,127	832,519	77,608
Radio Communications	-	58,839	58,840	(1)
Total public safety	<u>50,888,518</u>	<u>51,557,265</u>	<u>51,234,133</u>	<u>323,132</u>
Public works				
Recycling	309,757	329,748	329,748	-
Roads	4,162,803	4,162,803	3,619,165	543,638
Stormwater management	509,698	509,698	479,237	30,461
Engineering	1,288,443	1,288,443	1,262,407	26,036
Postclosure care	339,892	536,412	223,810	312,602
Total public works	<u>6,610,593</u>	<u>6,827,104</u>	<u>5,914,367</u>	<u>912,737</u>
Health and welfare				
Public health administration	202,701	204,100	204,100	-
Aid to dependent children	97,000	97,000	76,288	20,712
Aid to the disabled	12,000	12,000	12,000	-
Children and youth services	36,300	36,300	36,300	-
Community services	200,560	200,560	200,543	17
County extension	109,777	112,305	111,434	871
Senior center	5,601	6,601	6,601	-
Total health and welfare	<u>663,939</u>	<u>668,866</u>	<u>647,266</u>	<u>21,600</u>

(continued on next page)

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Housing and development				
Code enforcement	1,621,412	1,654,824	1,633,513	21,311
Conservation	84,448	85,544	85,398	146
Planning and zoning	1,172,852	1,172,852	1,133,665	39,187
Permits and inspections	959,938	959,938	904,707	55,231
Forestry services	13,197	13,197	13,197	-
UCS economic development	592,187	592,187	592,187	-
Economic development	45,000	45,000	45,000	-
Total housing and development	<u>4,489,034</u>	<u>4,523,542</u>	<u>4,407,667</u>	<u>115,875</u>
Culture and recreation				
Community arts centers	40,000	40,000	40,000	-
Historical Society	50,000	50,000	50,000	-
Library	2,600,845	2,600,845	2,600,845	-
MUST	50,000	50,000	50,000	-
Total recreation and culture	<u>2,740,845</u>	<u>2,740,845</u>	<u>2,740,845</u>	<u>-</u>
Debt service:				
Principal	297,229	297,229	393,954	(96,725)
Interest	38,432	38,432	56,620	(18,188)
Total debt service	<u>335,661</u>	<u>335,661</u>	<u>450,574</u>	<u>(114,913)</u>
Total expenditures	<u>102,810,137</u>	<u>104,556,573</u>	<u>100,817,375</u>	<u>3,739,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,919,445</u>	<u>3,687,297</u>	<u>14,906,443</u>	<u>11,219,146</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	-	-	49,127	49,127
Issuance of capital lease	40,000	40,000	40,884	884
Insurance reimbursement	-	19,000	27,656	8,656
Transfers in	294,148	294,148	294,148	-
Transfers out	(8,269,359)	(8,283,331)	(8,210,874)	72,457
Total other financing sources (uses)	<u>(7,935,211)</u>	<u>(7,930,183)</u>	<u>(7,799,059)</u>	<u>131,124</u>
Net change in fund balance	(4,015,766)	(4,242,886)	7,107,384	11,350,270
Fund balance, beginning of year	<u>45,360,299</u>	<u>45,360,299</u>	<u>45,360,299</u>	<u>-</u>
Fund balance, end of year	<u>\$ 41,344,533</u>	<u>\$ 41,117,413</u>	<u>\$ 52,467,683</u>	<u>\$ 11,350,270</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, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	\$28,422,823	\$28,422,823	\$ 29,322,501	\$ 899,678
Intergovernmental	7,070,000	7,070,000	7,474,682	404,682
Charges for services	72,000	72,000	99,328	27,328
Interest	50,000	50,000	15,021	(34,979)
Contributions and donations	-	7,000	7,000	-
Total revenues	35,614,823	35,621,823	36,918,532	1,296,709
Expenditures				
Current				
Public safety	37,629,782	37,718,736	35,941,848	1,776,888
Debt Service				
Principal	-	-	11,917	(11,917)
Interest	-	-	1,016	(1,016)
Total expenditures	37,629,782	37,718,736	35,954,781	1,763,955
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,014,959)	(2,096,913)	963,751	3,060,664
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	2,907	2,907
Insurance reimbursement	-	-	79,870	79,870
Transfers out	(144,148)	(416,398)	(416,398)	-
Total other financing sources (uses)	(144,148)	(416,398)	(333,621)	82,777
Net Change in Fund Balances	(2,159,107)	(2,513,311)	630,130	3,143,441
Fund Balances Beginning of Year	10,005,241	10,005,241	10,005,241	-
Fund Balances End of Year	\$ 7,846,134	\$ 7,491,930	\$ 10,635,371	\$ 3,143,441

Cherokee County, Georgia
ARPA Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	\$ -	\$ 1,919,951	\$ 1,919,951	\$ -
Total revenues	-	1,919,951	1,919,951	-
Expenditures				
Current				
General government	-	1,770,604	1,770,604	-
Judicial	-	15,893	15,893	-
Public works	-	124,920	124,920	-
Public safety	-	3,103	3,103	-
Health and welfare	-	1,760	1,760	-
Culture and recreation	-	3,671	3,671	-
Total expenditures	-	1,919,951	1,919,951	-
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning of Year	-	-	-	-
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2021

1. METHODS AND ASSUMPTIONS TO DETERMINE CONTRIBUTION RATES

Pension Plan:

1. Valuation date: 01/01/21
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 2.00%

2. CHANGES IN ASSUMPTIONS

OPEB Plan:

1. The discount rate was increased from 2.14% to 2.43%.
2. The medical trend rate was increased from 6.10% to 6.30%.

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.

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.

Cares Act Fund– to account for the CARES Act grant proceeds.

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, 2021

	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	\$ 358,265	\$ 528,015	\$ 287,218	\$ 84,072	\$ 11,901	\$ 584,828	\$ 720,323	\$ 5,093	\$ 1,168,038	\$ 70,982
Property taxes receivable, net	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	-	-	477,662	-
Due from other governments	-	-	200,108	-	344,341	7,286	30,402	7,689	-	-
Prepaid items	-	-	3,303	-	-	-	677	193	8,742	-
Total Assets	\$ 358,265	\$ 528,015	\$ 490,629	\$ 84,072	\$ 356,242	\$ 592,114	\$ 751,402	\$ 12,975	\$ 1,654,442	\$ 70,982
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Accounts payable	\$ -	\$ -	\$ 35,760	\$ -	\$ 37,017	\$ -	\$ 30,632	\$ -	\$ 123,180	\$ -
Accrued liabilities	-	-	38,199	-	35,663	-	7,051	3,795	83,209	-
Due to other funds	-	-	-	-	11,686	-	-	297	-	-
Unearned revenue	-	-	-	-	-	-	-	-	548,622	-
Total Liabilities	-	-	73,959	-	84,366	-	37,683	4,092	755,011	-
Deferred Inflows of Resources										
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balances										
Nonspendable:										
Prepaid items	-	-	3,303	-	-	-	677	193	8,742	-
Restricted:										
Law library operations	-	528,015	-	-	-	-	-	-	-	-
Senior services	-	-	413,367	-	-	-	-	-	-	-
Public safety	-	-	-	84,072	-	-	-	-	-	70,982
Court services	-	-	-	-	-	592,114	713,042	-	-	-
Grant activities	-	-	-	-	271,876	-	-	-	-	-
Jail operations and construction	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	8,690	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-	-
Committed:										
Jail and inmate services	358,265	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	890,689	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	358,265	528,015	416,670	84,072	271,876	592,114	713,719	8,883	899,431	70,982
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 358,265	\$ 528,015	\$ 490,629	\$ 84,072	\$ 356,242	\$ 592,114	\$ 751,402	\$ 12,975	\$ 1,654,442	\$ 70,982

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

	Special Revenue Funds								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
Assets									
Cash	\$ -	\$ 577,271	\$ 52,718	\$ 2,713,572	\$ -	\$ 304,229	\$ 127,900	\$ 2,200	\$ 188,780
Property taxes receivable, net	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	5,150	37,885	-	2,500	-	990
Due from other governments	349,558	16,246	-	982,271	-	370,901	112,232	34,302	-
Prepaid items	371	-	-	8,960	-	2,564	742	-	322
Total Assets	\$ 349,929	\$ 593,517	\$ 52,718	\$ 3,709,953	\$ 37,885	\$ 677,694	\$ 243,374	\$ 36,502	\$ 190,092
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	\$ 402,766	\$ 6,920	\$ -	\$ 132,871	\$ -	\$ 15,110	\$ 7,467	\$ 3,944	\$ 2,944
Accrued liabilities	5,137	-	-	137,536	-	33,017	16,854	3,110	4,751
Due to other funds	68,580	-	-	-	37,885	-	22,162	17,424	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	476,483	6,920	-	270,407	37,885	48,127	46,483	24,478	7,695
Deferred Inflows of Resources									
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable:									
Prepaid items	371	-	-	8,960	-	2,564	742	-	322
Restricted:									
Law library operations	-	-	-	-	-	-	-	-	-
Senior services	-	-	-	-	-	-	-	-	-
Public safety	-	-	52,718	-	-	-	-	-	182,075
Court services	-	-	-	-	-	-	-	-	-
Grant activities	-	-	-	-	-	-	196,149	12,024	-
Jail operations and construction	-	586,597	-	-	-	-	-	-	-
E911 operations	-	-	-	3,430,586	-	-	-	-	-
Health and welfare	-	-	-	-	-	627,003	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-
Committed:									
Jail and inmate services	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	(126,925)	-	-	-	-	-	-	-	-
Total Fund Balances	(126,554)	586,597	52,718	3,439,546	-	629,567	196,891	12,024	182,397
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 349,929	\$ 593,517	\$ 52,718	\$ 3,709,953	\$ 37,885	\$ 677,694	\$ 243,374	\$ 36,502	\$ 190,092

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

	Special Revenue				
	Funds	Capital Projects Funds			
	CARES	Resource Recovery Development Authority	Impact Fees	Debt Service	Total
Assets					
Cash	\$ 9,294,776	\$ 912,268	\$ 8,544,963	\$ 830,595	\$ 27,368,007
Property taxes receivable, net	-	-	-	5,537,781	5,537,781
Accounts receivable, net	-	-	4,397	-	528,584
Due from other governments	-	-	28,005	-	2,483,341
Prepaid items	-	-	-	-	25,874
Total Assets	<u>\$ 9,294,776</u>	<u>\$ 912,268</u>	<u>\$ 8,577,365</u>	<u>\$ 6,368,376</u>	<u>\$ 35,943,587</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 463,258	\$ -	\$ -	\$ 550	\$ 1,262,419
Accrued liabilities	-	-	660	567,522	936,504
Due to other funds	-	-	-	-	158,034
Unearned revenue	8,831,518	-	-	-	9,380,140
Total Liabilities	<u>9,294,776</u>	<u>-</u>	<u>660</u>	<u>568,072</u>	<u>11,737,097</u>
Deferred Inflows of Resources					
Unavailable revenue- property taxes	-	-	-	5,945,988	5,945,988
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,945,988</u>	<u>5,945,988</u>
Fund Balances					
Nonspendable:					
Prepaid items	-	-	-	-	25,874
Restricted:					
Law library operations	-	-	-	-	528,015
Senior services	-	-	-	-	413,367
Public safety	-	-	-	-	389,847
Court services	-	-	-	-	1,305,156
Grant activities	-	-	-	-	480,049
Jail operations and construction	-	-	-	-	586,597
E911 operations	-	-	-	-	3,430,586
Health and welfare	-	-	-	-	635,693
Debt service	-	912,268	-	-	912,268
Impact fees	-	-	8,576,705	-	8,576,705
Committed:					
Jail and inmate services	-	-	-	-	358,265
Parks and recreation activities	-	-	-	-	890,689
Unassigned (deficit)	-	-	-	(145,684)	(272,609)
Total Fund Balances	<u>-</u>	<u>912,268</u>	<u>8,576,705</u>	<u>(145,684)</u>	<u>18,260,502</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,294,776</u>	<u>\$ 912,268</u>	<u>\$ 8,577,365</u>	<u>\$ 6,368,376</u>	<u>\$ 35,943,587</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2021

	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	-	-	-	-	-	-	-	-	1,261,299	-
Other taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	936,868	27,293	928,474	-	97,696	-	-	-
Fines and forfeitures	-	95,872	-	-	18,780	163,806	196,256	174,582	-	7,430
Charges for services	822,787	-	40,864	-	-	-	-	-	2,793,019	-
Investment income	-	458	-	-	-	209	-	-	-	-
Contributions	-	-	8,983	-	961,716	-	125	-	15,000	-
Other	-	-	730	1,882	-	-	-	-	14,934	-
Total Revenues	822,787	96,330	987,445	29,175	1,908,970	164,015	294,077	174,582	4,084,252	7,430
Expenditures										
Current:										
General government	-	-	-	-	748,726	-	-	-	-	-
Judicial	-	63,264	-	-	951,710	-	554,361	109,021	-	2,250
Public safety	971,694	-	-	43,671	429,322	-	-	-	-	-
Public works	-	-	-	-	2,542	-	-	-	-	-
Health and welfare	-	-	1,659,647	-	2,412	-	-	106,000	-	-
Culture and recreation	-	-	-	-	138,196	-	-	-	5,236,189	-
Housing and development	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	12,068	-	-	-	1,071	-	28,852	-
Interest	-	-	955	-	-	-	91	-	2,069	-
Total Expenditures	971,694	63,264	1,672,670	43,671	2,272,908	-	555,523	215,021	5,267,110	2,250
Excess (Deficiency) of Revenues Over (Under) Expenditures	(148,907)	33,066	(685,225)	(14,496)	(363,938)	164,015	(261,446)	(40,439)	(1,182,858)	5,180
Other Financing Sources (Uses)										
Proceeds from sale of capital assets	-	-	5,400	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	-	-	-	692	-
Transfers in	-	-	788,679	-	439,522	-	63,204	4,537	1,767,162	-
Transfers out	-	-	-	-	-	(105,660)	-	-	(150,000)	-
Total Other Financing Sources (Uses)	-	-	794,079	-	439,522	(105,660)	63,204	4,537	1,617,854	-
Net Change in Fund Balances	(148,907)	33,066	108,854	(14,496)	75,584	58,355	(198,242)	(35,902)	434,996	5,180
Fund Balances Beginning of Year	507,172	494,949	307,816	98,568	196,292	533,759	911,961	44,785	464,435	65,802
Fund Balances End of Year	\$ 358,265	\$ 528,015	\$ 416,670	\$ 84,072	\$ 271,876	\$ 592,114	\$ 713,719	\$ 8,883	\$ 899,431	\$ 70,982

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2021

	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	-	-	-	-	345,018	-	-	-	-
Intergovernmental	1,435,406	-	86,001	-	-	1,000,854	453,500	138,405	-
Fines and forfeitures	-	360,443	-	-	-	-	136,590	7,047	-
Charges for services	-	-	-	5,897,999	-	203,307	-	-	287,548
Investment income	-	232	-	1,013	-	-	-	-	-
Contributions	-	-	-	-	-	-	2,500	-	-
Other	-	-	-	-	-	-	-	-	-
Total Revenues	1,435,406	360,675	86,001	5,899,012	345,018	1,204,161	592,590	145,452	287,548
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	726,497	158,702	272,553
Public safety	-	471,148	101,133	5,422,652	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,286,431	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Housing and development	1,562,609	-	-	-	65,000	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	268	-	-	2,678	-	804	536	-	-
Interest	23	-	-	228	-	69	46	-	-
Total Expenditures	1,562,900	471,148	101,133	5,425,558	65,000	1,287,304	727,079	158,702	272,553
Excess (Deficiency) of Revenues Over (Under) Expenditures	(127,494)	(110,473)	(15,132)	473,454	280,018	(83,143)	(134,489)	(13,250)	14,995
Other Financing Sources (Uses)									
Proceeds from sale of capital assets	-	-	-	-	-	5,300	-	-	-
Insurance reimbursement	-	-	-	-	-	1,001	-	-	-
Transfers in	-	-	-	-	-	103,425	62,502	16,085	-
Transfers out	-	-	-	-	(280,018)	-	-	-	(50,000)
Total Other Financing Sources (Uses)	-	-	-	-	(280,018)	109,726	62,502	16,085	(50,000)
Net Change in Fund Balances	(127,494)	(110,473)	(15,132)	473,454	-	26,583	(71,987)	2,835	(35,005)
Fund Balances Beginning of Year	940	697,070	67,850	2,966,092	-	602,984	268,878	9,189	217,402
Fund Balances End of Year	\$ (126,554)	\$ 586,597	\$ 52,718	\$ 3,439,546	\$ -	\$ 629,567	\$ 196,891	\$ 12,024	\$ 182,397

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2021

	Special Revenue				Total
	Funds	Capital Projects Funds			
	CARES Act	Resource Recovery Development Authority	Impact Fees	Debt Service	
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ 6,071,110	\$ 6,071,110
Alcoholic beverage taxes	-	-	-	-	1,261,299
Other taxes	-	-	-	-	345,018
Intergovernmental	1,423,084	-	417,278	-	6,944,859
Fines and forfeitures	-	-	-	-	1,160,806
Charges for services	-	-	2,334,245	-	12,379,769
Investment income	-	-	7,603	1,251	10,766
Contributions	-	-	-	-	988,324
Other	-	142,236	-	119,413	279,195
Total Revenues	1,423,084	142,236	2,759,126	6,191,774	29,441,146
Expenditures					
Current:					
General government	-	-	90,540	-	839,266
Judicial	-	-	-	-	2,838,358
Public safety	-	-	-	-	7,439,620
Public works	-	-	-	-	2,542
Health and welfare	-	-	-	-	3,054,490
Culture and recreation	-	-	-	-	5,374,385
Housing and development	1,423,084	-	-	-	3,050,693
Intergovernmental	-	-	100,000	-	100,000
Debt service:					
Principal	-	540,000	-	5,000,000	5,586,277
Interest	-	188,585	-	1,198,541	1,390,607
Total Expenditures	1,423,084	728,585	190,540	6,198,541	29,676,238
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(586,349)	2,568,586	(6,767)	(235,092)
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	-	-	-	-	10,700
Insurance reimbursement	-	-	-	-	1,693
Transfers in	-	681,350	-	-	3,926,466
Transfers out	-	-	(6,142,000)	-	(6,727,678)
Total Other Financing Sources (Uses)	-	681,350	(6,142,000)	-	(2,788,819)
Net Change in Fund Balances	-	95,001	(3,573,414)	(6,767)	(3,023,911)
Fund Balances Beginning of Year	-	817,267	12,150,119	(138,917)	21,284,413
Fund Balances End of Year	\$ -	\$ 912,268	\$ 8,576,705	\$ (145,684)	\$ 18,260,502

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Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Sheriff's Commissary			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	800,000	822,787	822,787	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	800,000	822,787	822,787	-
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	800,000	971,695	971,694	1
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	800,000	971,695	971,694	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(148,908)	(148,907)	1
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	(148,908)	(148,907)	1
Fund Balances Beginning of Year	507,172	507,172	507,172	-
Fund Balances End of Year	\$ 507,172	\$ 358,264	\$ 358,265	\$ 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		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	751,100	1,051,878	936,868	(115,010)
116,500	116,500	95,872	(20,628)	-	-	-	-
4,000	4,000	-	(4,000)	60,470	60,470	40,864	(19,606)
7,000	7,000	458	(6,542)	-	-	-	-
-	-	-	-	12,000	12,000	8,983	(3,017)
-	-	-	-	-	-	730	730
127,500	127,500	96,330	(31,170)	823,570	1,124,348	987,445	(136,903)
-	-	-	-	-	-	-	-
127,500	127,500	63,264	64,236	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,601,549	1,904,027	1,659,647	244,380
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	9,926	9,926	12,068	(2,142)
-	-	-	-	774	774	955	(181)
127,500	127,500	63,264	64,236	1,612,249	1,914,727	1,672,670	242,057
-	-	33,066	33,066	(788,679)	(790,379)	(685,225)	105,154
-	-	-	-	-	-	5,400	5,400
-	-	-	-	-	-	-	-
-	-	-	-	788,679	788,679	788,679	-
-	-	-	-	-	-	-	-
-	-	-	-	788,679	788,679	794,079	5,400
-	-	33,066	33,066	-	(1,700)	108,854	110,554
494,949	494,949	494,949	-	307,816	307,816	307,816	-
\$ 494,949	\$ 494,949	\$ 528,015	\$ 33,066	\$ 307,816	\$ 306,116	\$ 416,670	\$ 110,554

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	140,000	140,000	27,293	(112,707)
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	1,882	1,882
Total revenues	140,000	140,000	29,175	(110,825)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	140,000	140,000	43,671	96,329
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	140,000	140,000	43,671	96,329
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(14,496)	(14,496)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	(14,496)	(14,496)
Fund Balances Beginning of Year	98,568	98,568	98,568	-
Fund Balances End of Year	\$ 98,568	\$ 98,568	\$ 84,072	\$ (14,496)

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		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
997,959	1,127,197	928,474	(198,723)	-	-	-	-
14,000	14,000	18,780	4,780	212,800	212,800	163,806	(48,994)
-	-	-	-	-	-	-	-
-	-	-	-	1,000	1,000	209	(791)
250,000	959,303	961,716	2,413	-	-	-	-
-	-	-	-	-	-	-	-
1,261,959	2,100,500	1,908,970	(191,530)	213,800	213,800	164,015	(49,785)
303,000	831,560	748,726	82,834	-	-	-	-
1,061,626	1,075,502	951,710	123,792	-	-	-	-
439,451	662,422	429,322	233,100	-	-	-	-
-	2,608	2,542	66	-	-	-	-
-	2,608	2,412	196	-	-	-	-
-	254,608	138,196	116,412	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,804,077	2,829,308	2,272,908	556,400	-	-	-	-
(542,118)	(728,808)	(363,938)	364,870	213,800	213,800	164,015	(49,785)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
512,118	521,553	439,522	(82,031)	-	-	-	-
-	-	-	-	(234,153)	(234,153)	(105,660)	128,493
512,118	521,553	439,522	(82,031)	(234,153)	(234,153)	(105,660)	128,493
(30,000)	(207,255)	75,584	282,839	(20,353)	(20,353)	58,355	78,708
196,292	196,292	196,292	-	533,759	533,759	533,759	-
\$ 166,292	\$ (10,963)	\$ 271,876	\$ 282,839	\$ 513,406	\$ 513,406	\$ 592,114	\$ 78,708

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	DUI Court			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	90,700	90,700	97,696	6,996
Fines and forfeitures	373,804	373,804	196,256	(177,548)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	65,000	65,000	125	(64,875)
Other	-	-	-	-
Total revenues	529,504	529,504	294,077	(235,427)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	609,676	609,676	554,361	55,315
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	1,071	(1,071)
Interest	-	-	91	(91)
Total expenditures	609,676	609,676	555,523	54,153
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,172)	(80,172)	(261,446)	(181,274)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	80,172	80,172	63,204	(16,968)
Transfers out	-	-	-	-
Total other financing sources (uses)	80,172	80,172	63,204	(16,968)
Net Change in Fund Balances	-	-	(198,242)	(198,242)
Fund Balances Beginning of Year	911,961	911,961	911,961	-
Fund Balances End of Year	\$ 911,961	\$ 911,961	\$ 713,719	\$ (198,242)

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		
\$ -	\$ -	\$ -	\$ -	\$ 1,120,000	\$ 1,120,000	\$ 1,261,299	\$ 141,299
-	-	-	-	-	-	-	-
210,417	210,417	174,582	(35,835)	-	-	-	-
-	-	-	-	2,815,975	2,815,975	2,793,019	(22,956)
-	-	-	-	-	-	-	-
-	-	-	-	45,000	45,000	15,000	(30,000)
-	-	-	-	14,935	14,935	14,934	(1)
210,417	210,417	174,582	(35,835)	3,995,910	3,995,910	4,084,252	88,342
-	-	-	-	-	-	-	-
104,417	109,022	109,021	1	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
106,000	106,000	106,000	-	-	-	-	-
-	-	-	-	5,585,929	5,585,929	5,236,189	349,740
-	-	-	-	-	-	-	-
-	-	-	-	25,371	25,371	28,852	(3,481)
-	-	-	-	1,772	1,772	2,069	(297)
210,417	215,022	215,021	1	5,613,072	5,613,072	5,267,110	345,962
-	(4,605)	(40,439)	(35,834)	(1,617,162)	(1,617,162)	(1,182,858)	434,304
-	-	-	-	-	-	-	-
-	-	-	-	-	-	692	692
-	4,537	4,537	-	1,767,162	1,767,162	1,767,162	-
-	-	-	-	(150,000)	(150,000)	(150,000)	-
-	4,537	4,537	-	1,617,162	1,617,162	1,617,854	692
-	(68)	(35,902)	(35,834)	-	-	434,996	434,996
44,785	44,785	44,785	-	464,435	464,435	464,435	-
\$ 44,785	\$ 44,717	\$ 8,883	\$ (35,834)	\$ 464,435	\$ 464,435	\$ 899,431	\$ 434,996

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	DA Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	35,000	35,000	7,430	(27,570)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	35,000	35,000	7,430	(27,570)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	35,000	35,000	2,250	32,750
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	35,000	35,000	2,250	32,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	5,180	5,180
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	5,180	5,180
Fund Balances Beginning of Year	65,802	65,802	65,802	-
Fund Balances End of Year	\$ 65,802	\$ 65,802	\$ 70,982	\$ 5,180

CDBG				Jail			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,215,907	2,802,591	1,435,406	(1,367,185)	-	-	-	-
-	-	-	-	417,000	417,000	360,443	(56,557)
-	-	-	-	-	-	-	-
-	-	-	-	2,500	2,500	232	(2,268)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,215,907	2,802,591	1,435,406	(1,367,185)	419,500	419,500	360,675	(58,825)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	837,783	837,783	471,148	366,635
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,215,907	2,802,591	1,562,609	1,239,982	-	-	-	-
-	-	268	(268)	-	-	-	-
-	-	23	(23)	-	-	-	-
1,215,907	2,802,591	1,562,900	1,239,691	837,783	837,783	471,148	366,635
-	-	(127,494)	(127,494)	(418,283)	(418,283)	(110,473)	307,810
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(127,494)	(127,494)	(418,283)	(418,283)	(110,473)	307,810
940	940	940	-	697,070	697,070	697,070	-
\$ 940	\$ 940	\$ (126,554)	\$ (127,494)	\$ 278,787	\$ 278,787	\$ 586,597	\$ 307,810

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Sheriff's Forfeiture			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	80,000	86,001	86,001	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	80,000	86,001	86,001	-
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	80,000	101,133	101,133	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	80,000	101,133	101,133	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(15,132)	(15,132)	-
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	(15,132)	(15,132)	-
Fund Balances Beginning of Year	67,850	67,850	67,850	-
Fund Balances End of Year	\$ 67,850	\$ 52,718	\$ 52,718	\$ -

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		
\$ -	\$ -	\$ -	\$ -	\$ 255,000	\$ 345,018	\$ 345,018	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,000,500	6,000,500	5,897,999	(102,501)	-	-	-	-
10,000	10,000	1,013	(8,987)	-	-	-	-
-	-	-	-	-	-	-	-
500	500	-	(500)	-	-	-	-
6,011,000	6,011,000	5,899,012	(111,988)	255,000	345,018	345,018	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,041,317	7,101,198	5,422,652	1,678,546	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	65,000	65,000	65,000	-
-	-	2,678	(2,678)	-	-	-	-
-	-	228	(228)	-	-	-	-
6,041,317	7,101,198	5,425,558	1,675,640	65,000	65,000	65,000	-
(30,317)	(1,090,198)	473,454	1,563,652	190,000	280,018	280,018	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(190,000)	(280,018)	(280,018)	-
-	-	-	-	(190,000)	(280,018)	(280,018)	-
(30,317)	(1,090,198)	473,454	1,563,652	-	-	-	-
2,966,092	2,966,092	2,966,092	-	-	-	-	-
\$ 2,935,775	\$ 1,875,894	\$ 3,439,546	\$ 1,563,652	\$ -	\$ -	\$ -	\$ -

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Transportation			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,059,121	1,085,589	1,000,854	(84,735)
Fines and forfeitures	-	-	-	-
Charges for services	549,996	549,996	203,307	(346,689)
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	1,609,117	1,635,585	1,204,161	(431,424)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	1,712,542	1,739,010	1,286,431	452,579
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	804	(804)
Interest	-	-	69	(69)
Total expenditures	1,712,542	1,739,010	1,287,304	451,706
Excess (Deficiency) of Revenues Over (Under) Expenditures	(103,425)	(103,425)	(83,143)	20,282
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	5,300	5,300
Insurance reimbursement	-	-	1,001	1,001
Transfers in	103,425	103,425	103,425	-
Transfers out	-	-	-	-
Total other financing sources (uses)	103,425	103,425	109,726	6,301
Net Change in Fund Balances	-	-	26,583	26,583
Fund Balances Beginning of Year	602,984	602,984	602,984	-
Fund Balances End of Year	\$ 602,984	\$ 602,984	\$ 629,567	\$ 26,583

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		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
453,673	578,362	453,500	(124,862)	145,906	145,906	138,405	(7,501)
154,455	154,455	136,590	(17,865)	3,412	3,412	7,047	3,635
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,500	2,500	-	-	-	-
-	-	-	-	-	-	-	-
608,128	732,817	592,590	(140,227)	149,318	149,318	145,452	(3,866)
-	-	-	-	-	-	-	-
790,070	926,346	726,497	199,849	172,446	172,446	158,702	13,744
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	536	(536)	-	-	-	-
-	-	46	(46)	-	-	-	-
790,070	926,346	727,079	199,267	172,446	172,446	158,702	13,744
(181,942)	(193,529)	(134,489)	59,040	(23,128)	(23,128)	(13,250)	9,878
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
157,411	168,998	62,502	(106,496)	23,128	23,128	16,085	(7,043)
-	-	-	-	-	-	-	-
157,411	168,998	62,502	(106,496)	23,128	23,128	16,085	(7,043)
(24,531)	(24,531)	(71,987)	(47,456)	-	-	2,835	2,835
268,878	268,878	268,878	-	9,189	9,189	9,189	-
\$ 244,347	\$ 244,347	\$ 196,891	\$ (47,456)	\$ 9,189	\$ 9,189	\$ 12,024	\$ 2,835

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Drug Screening Lab			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	412,721	412,721	287,548	(125,173)
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	412,721	412,721	287,548	(125,173)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	362,721	362,721	272,553	90,168
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	362,721	362,721	272,553	90,168
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,000	50,000	14,995	(35,005)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing sources (uses)	(50,000)	(50,000)	(50,000)	-
Net Change in Fund Balances	-	-	(35,005)	(35,005)
Fund Balances Beginning of Year	217,402	217,402	217,402	-
Fund Balances End of Year	\$ 217,402	\$ 217,402	\$ 182,397	\$ (35,005)

Cherokee County, Georgia
Capital Projects Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	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	142,236	-
Total revenues	142,236	142,236	142,236	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Intergovernmental	-	-	-	-
Debt service				
Principal	540,000	540,000	540,000	-
Interest and fiscal charges	283,585	283,585	188,585	95,000
Total expenditures	823,585	823,585	728,585	95,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(681,349)	(681,349)	(586,349)	95,000
Other Financing Sources (Uses)				
Transfers in	681,349	681,349	681,350	1
Transfers out	-	-	-	-
Total other financing sources (uses)	681,349	681,349	681,350	1
Net Change in Fund Balances	-	-	95,001	95,001
Fund Balances Beginning of Year	817,267	817,267	817,267	-
Fund Balances End of Year	\$ 817,267	\$ 817,267	\$ 912,268	\$ 95,001

Impact Fees				
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
\$	122,447	\$ 122,447	\$ 417,278	\$ 294,831
	1,817,603	1,817,603	2,334,245	516,642
	50,000	50,000	7,603	(42,397)
	-	-	-	-
	1,990,050	1,990,050	2,759,126	769,076
	175,268	175,268	90,540	84,728
	410,828	410,828	-	410,828
	100,000	100,000	100,000	-
	-	-	-	-
	-	-	-	-
	686,096	686,096	190,540	495,556
	1,303,954	1,303,954	2,568,586	1,264,632
	-	-	-	-
	(5,000,000)	(6,142,000)	(6,142,000)	-
	(5,000,000)	(6,142,000)	(6,142,000)	-
	(3,696,046)	(4,838,046)	(3,573,414)	1,264,632
	12,150,119	12,150,119	12,150,119	-
\$	8,454,073	\$ 7,312,073	\$ 8,576,705	\$ 1,264,632

Cherokee County, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021

	Debt Service			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ 5,942,786	\$ 5,942,786	\$ 6,071,110	\$ 128,324
Investment income	10,000	10,000	1,251	(8,749)
Other	140,000	140,000	119,413	(20,587)
Total revenues	6,092,786	6,092,786	6,191,774	98,988
Expenditures				
Current:				
General government	140,000	140,000	-	140,000
Debt service:				
Principal	5,000,000	5,000,000	5,000,000	-
Interest and fiscal charges	1,198,191	1,198,191	1,198,541	(350)
Total expenditures	6,338,191	6,338,191	6,198,541	139,650
Net Change in Fund Balances	(245,405)	(245,405)	(6,767)	238,638
Fund Balances Beginning of Year	(138,917)	(138,917)	(138,917)	-
Fund Balances End of Year	\$ (384,322)	\$ (384,322)	\$ (145,684)	\$ 238,638

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2021

	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	\$ 183,988,731	\$ 182,337,579	\$ 160,000	\$ 182,497,579
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	160,000	2,100,307
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>182,337,579</u>	<u>160,000</u>	<u>182,497,579</u>
Total SPLOST funded expenditures			\$ 182,337,579	\$ 160,000	\$ 182,497,579

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2021

	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	\$ 208,000,559	\$ 187,694,526	\$ 5,911,958	\$ 193,606,484
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			4,823,852	12,000	4,835,852
Development Authority of Cherokee County			6,482,901	-	6,482,901
Total intergovernmental			63,094,379	12,000	63,106,379
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			4,297,392	33,214	4,330,606
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			317,454	694,712	1,012,166
Jail expansion/enhancements			16,953,398	73,112	17,026,510
Marshal			256,591	-	256,591
Parks Recreation Center			335,903	361,972	697,875
Probation Office			331,297	-	331,297
Senior center			1,585,337	-	1,585,337
Sheriff			2,505,152	-	2,505,152
Sheriff training facility			1,879,662	-	1,879,662
Transportation facility & equipment			73,232,929	4,736,948	77,969,877
Total SPLOST funded expenditures			\$ 187,694,526	\$ 5,911,958	\$ 193,606,484
Expenditures funded by:					
Transfer from Impact fees fund				2,000,000	
Total expenditures				\$ 7,911,958	

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2021

	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	\$ 299,820,463	\$ 88,869,918	\$ 41,531,729	\$ 130,401,647
2018 Projects:					
City of Ball Ground			\$ 1,197,337	\$ 665,136	\$ 1,862,473
City of Canton			9,699,358	5,388,119	15,087,477
City of Holly Springs			4,139,632	2,299,618	6,439,250
City of Mountain Park			25,000	-	25,000
City of Nelson			417,676	232,024	649,700
City of Walesa			1,020,985	567,171	1,588,156
City of Woodstock			11,370,061	6,316,217	17,686,278
Cherokee County Airport Authority			759,354	-	759,354
Historical Society			-	500,000	500,000
Economic Development			2,919,906	30,160	2,950,066
			<u>31,549,309</u>	<u>15,998,445</u>	<u>47,547,754</u>
Total intergovernmental					
CATS			20,416	-	20,416
Courthouse facilities, equipment, improvements, and expansion			618,745	390,116	1,008,861
Fire/Emergency Services facilities, vehicles, and equipment			8,966,385	863,230	9,829,615
Animal Control and County Marshal vehicles and equipment			4,972,132	1,369,856	6,341,988
Emergency communication center and system improvements			629,916	72,250	702,166
Jail expansion/enhancements			18,068,743	3,866,212	21,934,955
Marshal			300,888	94,587	395,475
Parks and Recreation facilities, equipment, and improvements			1,511,164	4,943,151	6,454,315
Law enforcement vehicles, equipment and facilities			2,986,585	2,301,909	5,288,494
Transportation facility and equipment			19,245,635	11,631,973	30,877,608
			<u>\$ 88,869,918</u>	<u>\$ 41,531,729</u>	<u>\$ 130,401,647</u>
Total SPLOST funded expenditures					
Expenditures funded by:					
DOT Revenue				3,468,726	
Parks land sale				1,897,250	
City's reimbursement for Radio Project				336,776	
Transfer from Impact fees fund				4,142,000	
Total expenditures				<u>\$ 51,376,481</u>	

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, 2021

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Assets			
Current assets			
Receivables, net of allowance	\$ -	\$ 1,936,957	\$ 1,936,957
Inventories	219,476	-	219,476
Prepaid items	1,847	-	1,847
Total current assets	<u>221,323</u>	<u>1,936,957</u>	<u>2,158,280</u>
Noncurrent assets			
Capital assets, net of depreciation	<u>1,203,080</u>	-	<u>1,203,080</u>
Total assets	<u>1,424,403</u>	<u>1,936,957</u>	<u>3,361,360</u>
Deferred Outflows of Resources			
Deferred outflows relating to pension	<u>279,868</u>	-	<u>279,868</u>
Total deferred outflows of resources	<u>279,868</u>	<u>-</u>	<u>279,868</u>
Liabilities			
Current liabilities			
Accounts payable	45,530	24,423	69,953
Accrued liabilities	30,509	8,314	38,823
Due to other funds	153,911	1,723,157	1,877,068
Compensated absences, due within one year	17,252	-	17,252
Total current liabilities	<u>247,202</u>	<u>1,755,894</u>	<u>2,003,096</u>
Long-term Liabilities (net of current portion)			
Compensated absences, due in more than one year	40,254	-	40,254
Net pension liability	549,988	-	549,988
Total long-term liabilities	<u>590,242</u>	<u>-</u>	<u>590,242</u>
Total Liabilities	<u>837,444</u>	<u>1,755,894</u>	<u>2,593,338</u>
Deferred Inflows of Resources			
Deferred inflows relating to pension	<u>71,080</u>	-	<u>71,080</u>
Total deferred inflows of resources	<u>71,080</u>	<u>-</u>	<u>71,080</u>
Net Position			
Investment in capital assets	1,203,080	-	1,203,080
Unrestricted (deficit)	<u>(407,333)</u>	<u>181,063</u>	<u>(226,270)</u>
Total Net Position	<u>\$ 795,747</u>	<u>\$ 181,063</u>	<u>\$ 976,810</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2021

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 1,799,630	\$ 22,192,425	\$ 23,992,055
Miscellaneous revenue	1,800	2,732,968	2,734,768
	<u>1,801,430</u>	<u>24,925,393</u>	<u>26,726,823</u>
Operating Expenses			
Personal services and employee benefits	891,750	216,403	1,108,153
Contractual services	35,571	2,174,262	2,209,833
Claims paid	-	22,591,417	22,591,417
Supplies	862,048	-	862,048
Depreciation	36,798	-	36,798
	<u>1,826,167</u>	<u>24,982,082</u>	<u>26,808,249</u>
Change in net position before capital contributions	<u>(24,737)</u>	<u>(56,689)</u>	<u>(81,426)</u>
Capital contributions	<u>1,012,166</u>	<u>-</u>	<u>1,012,166</u>
Change in net position	987,429	(56,689)	930,740
Net Position (Deficit) Beginning of Year	<u>(191,682)</u>	<u>237,752</u>	<u>46,070</u>
Net Position (Deficit) End of Year	<u>\$ 795,747</u>	<u>\$ 181,063</u>	<u>\$ 976,810</u>

Cherokee County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2021

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Receipts from other funds	\$ 1,790,042	\$ 25,348,480	\$ 27,138,522
Payments to employees	(891,174)	(216,403)	(1,107,577)
Payments to suppliers for services provided	(898,868)	(25,132,077)	(26,030,945)
Net Cash Provided by (Used in) Operating Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>	<u>-</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)	\$ (24,737)	\$ (56,689)	\$ (81,426)
Adjustments -			
Depreciation	36,798	-	36,798
(Increase) Decrease in:			
Accounts receivable	-	(1,069,486)	(1,069,486)
Prepaid items	(1,774)	-	(1,774)
Inventories	13,054	-	13,054
Deferred outflows of resources	87,452	-	87,452
Increase (Decrease) in:			
Accounts payable	(18,540)	(363,302)	(381,842)
Accrued expenses	6,011	(3,096)	2,915
Due to other funds	(11,388)	1,492,573	1,481,185
Compensated absences payable	12,762	-	12,762
Net pension liability	(132,025)	-	(132,025)
Deferred inflows of resources	32,387	-	32,387
Net Cash Provided by (Used in) Operating Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Schedule of noncash capital and related financing activities			
Contribution of capital assets	<u>\$ 1,012,166</u>	<u>\$ -</u>	<u>\$ 1,012,166</u>

CHEROKEE COUNTY, GEORGIA

CUSTODIAL 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 Fiduciary Net Position
Custodial Funds
September 30, 2021

	Tax Commissioner	Probate Court	Juvenile Court	Clerk of Superior Court	Clerk of State Court	Sheriff	Total
Assets							
Cash	\$ 13,277,468	\$ 114,820	\$ 1,260	\$ 9,112,873	\$ 37,380	\$ 483,699	\$ 23,027,500
Taxes and other receivables	<u>296,960,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,960,120</u>
Total assets	<u>310,237,588</u>	<u>114,820</u>	<u>1,260</u>	<u>9,112,873</u>	<u>37,380</u>	<u>483,699</u>	<u>319,987,620</u>
Liabilities							
Due to others	13,277,468	114,820	1,260	1,334,613	37,380	435	14,765,976
Uncollected taxes	<u>296,960,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,960,120</u>
Total liabilities	<u>310,237,588</u>	<u>114,820</u>	<u>1,260</u>	<u>1,334,613</u>	<u>37,380</u>	<u>435</u>	<u>311,726,096</u>
Net Position							
Restricted							
Individuals, organizations and other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,778,260</u>	<u>-</u>	<u>483,264</u>	<u>8,261,524</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,778,260</u>	<u>\$ -</u>	<u>\$ 483,264</u>	<u>\$ 8,261,524</u>

Cherokee County, Georgia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended September 30, 2021

	<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>
Additions							
Taxes collected for other governments	\$ 368,284,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 368,284,367
Fines collected for other governments	<u>-</u>	<u>2,108,112</u>	<u>96,515</u>	<u>31,052,587</u>	<u>2,289,267</u>	<u>4,055,096</u>	<u>39,601,577</u>
Total additions	<u>368,284,367</u>	<u>2,108,112</u>	<u>96,515</u>	<u>31,052,587</u>	<u>2,289,267</u>	<u>4,055,096</u>	<u>407,885,944</u>
Deductions							
Payment of taxes to other governments	368,284,367	-	-	-	-	-	368,284,367
Payment of fines to other governments	<u>-</u>	<u>2,108,112</u>	<u>96,515</u>	<u>33,967,198</u>	<u>2,289,267</u>	<u>3,988,805</u>	<u>42,449,897</u>
Total deductions	<u>368,284,367</u>	<u>2,108,112</u>	<u>96,515</u>	<u>33,967,198</u>	<u>2,289,267</u>	<u>3,988,805</u>	<u>410,734,264</u>
Change in net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,914,611)</u>	<u>-</u>	<u>66,291</u>	<u>(2,848,320)</u>
Net Position Beginning of Year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,692,871</u>	<u>-</u>	<u>416,973</u>	<u>11,109,844</u>
Net Position End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,778,260</u>	<u>\$ -</u>	<u>\$ 483,264</u>	<u>\$ 8,261,524</u>

Development Authority of Cherokee County
Balance Sheet
September 30, 2021

Assets	
Cash	\$ 2,486,681
Accounts receivable, net of allowance	35,506
Prepaid items	<u>37,487</u>
Total Assets	<u><u>\$ 2,559,674</u></u>
 Liabilities and Fund Balance and Fund Balance	
Liabilities	
Accounts payable	\$ 650
Accrued liabilities	<u>3,148</u>
Total Liabilities	<u>3,798</u>
 Fund Balances	
Nonspendable:	
Prepaid items	37,487
Unassigned	<u>2,518,389</u>
Total Fund Balances	<u>2,555,876</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,559,674</u></u>

Development Authority of Cherokee County
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended September 30, 2021

<hr/>	
Revenues	
Intergovernmental	\$ 1,148,285
Charges for services	335,662
Investment earnings	6,200
Contributions	<u>12,000</u>
Total revenues	<u>1,502,147</u>
Expenditures	
Current:	
Housing and development	<u>4,452,392</u>
Total expenditures	<u>4,452,392</u>
Net change in fund balances	(2,950,245)
Fund balances, beginning of year	<u>5,506,121</u>
Fund balances, end of year	<u><u>\$ 2,555,876</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**

	2012*	2013	2014 (Restated)	2015 (Restated)	2016	2017 (Restated)	2018	2019 (Restated)	2020	2021
Governmental Activities										
Invested in Capital Assets, net of related debt	\$ 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	\$ 897,059,214
Restricted	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	78,921,584
Unrestricted	(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)	(23,530,382)
Total Governmental Activities Net Position	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	952,450,416
Business type Activities										
Invested in Capital Assets, net of related debt	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	2,984,950
Unrestricted	1,315,162	1,145,475	(818,727)	(227,478)	(536,760)	(838,779)	(365,423)	(997,572)	(1,839,300)	(2,082,827)
Total Business-type Activities Net Position	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	902,123
Primary Government										
Invested in Capital Assets, net of related debt	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	900,044,164
Restricted	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	78,921,584
Unrestricted	(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)	(25,613,209)
Total Primary Government Net Position	\$ 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	\$ 953,352,539

*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.
 Fiscal Year 2019 was restated for overstated accounts receivable.

CHEROKEE COUNTY, GEORGIA

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

	2012*	2013	2014 (Restated)	2015 (Restated)	2016	2017 (Restated)	2018	2019 (Restated)	2020	2021
Expenses:										
Governmental Activities:										
Governmental government	\$ 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	\$ 19,603,441
Judicial	8,616,641	13,835,827	14,948,452	15,621,410	16,970,402	17,268,050	18,369,843	20,674,564	20,658,488	21,849,361
Public safety	41,852,318	54,866,533	66,261,619	65,843,729	76,378,048	75,658,791	77,095,202	89,156,566	100,192,828	105,509,990
Public works	37,963,267	56,681,654	60,306,683	64,397,596	46,782,022	63,577,287	65,092,255	70,527,655	73,366,584	69,868,513
Health and welfare	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	3,986,700
Culture and recreation	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	12,685,936
Housing and development	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	7,728,579
Interest on long-term debt	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	1,399,287
Total Governmental Activities	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	242,631,807
Business-type Activities:										
Emergency medical services	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	10,877,961
Conference center	264,837	373,815	361,476	372,621	372,621	538,245	482,077	413,617	432,137	396,024
Total Business-type Activities	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	11,273,985
Total Primary Government	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	253,905,792
Program Revenues										
Governmental Activities										
Charges for services										
General government	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	9,133,081
Judicial	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	6,783,547
Public safety	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	7,352,927
Public works	1,581,672	3,055,124	2,718,762	3,079,966	4,247,236	4,098,942	4,050,318	4,856,480	5,290,454	7,352,716
Health and welfare	252,392	347,365	388,944	370,917	370,917	375,965	447,115	462,406	279,989	244,171
Culture and recreation	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	2,793,019
Housing and development	1,086,243	1,656,272	1,800,287	2,293,281	-	-	-	-	-	-
Operating grants and contributions	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	17,240,045
Capital grants and contributions	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	10,954,095
Total Governmental Activities	23,183,098	38,764,917	38,055,519	43,722,482	50,616,365	45,079,443	54,609,344	64,792,027	67,617,150	61,853,601
Business-type Activities:										
Emergency medical services:										
Charges for services	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	5,607,091
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	14,610	18,874	15,200	16,243	344,779	328,853	294,515	286,018	210,103	164,542
Operating grants and contributions	-	95,000	21,000	21,000	21,000	21,000	21,000	63,000	-	-
Total Business-type Activities	5,365,035	6,260,063	7,292,338	3,947,212	5,405,056	5,681,663	5,051,163	5,586,573	5,662,837	5,771,633
Total Primary Government	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	67,625,234
Net (Expenses) Revenue										
Governmental Activities	(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)	(180,778,206)
Business-type Activities	(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)	(5,502,352)
Total Primary Government Net Expense	(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)	(186,280,558)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property taxes	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	115,682,246
Alcoholic beverage taxes	751,958	971,691	989,887	1,029,826	1,056,462	1,090,198	1,102,518	1,124,537	1,172,092	1,261,299
Vehicle taxes	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	2,468,536
Sales taxes	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	55,394,284
Insurance premium taxes	6,953,110	7,226,640	7,626,040	8,166,299	8,689,185	9,300,914	10,029,142	10,720,235	11,380,706	11,815,774
Other taxes	107,240	154,289	180,523	210,530	207,340	214,232	211,797	338,415	224,791	345,018
Miscellaneous revenues	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	1,250,959
Unrestricted investment earnings	30,406	33,754	99,927	129,993	261,309	513,058	1,036,245	1,938,311	1,026,720	84,757
Gain/(loss) on sale of capital assets	(9,545,264)	-	-	-	-	-	-	-	-	-
Loss on capital lease receivable	-	-	-	-	-	-	127,757	-	-	-
Transfers	(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)	(4,720,086)
Total Governmental Activities	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	183,582,781
Business-type Activities										
Miscellaneous revenues	298,599	325,106	272,953	273,414	-	-	-	-	-	-
Gain/(loss) on disposal of capital assets	75,600	8,100	-	-	4,000	-	-	-	-	-
Transfers	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	4,720,086
Total Business-type Activities	1,399,442	2,042,771	1,203,718	2,913,404	2,908,449	1,581,823	2,246,488	2,970,473	4,730,509	4,720,086
Total Primary Government	29,782,898	112,295,237	115,803,963	129,097,962	130,580,233	137,247,839	146,034,594	157,814,386	170,631,637	188,302,867
Change in Net Position										
Governmental Activities	(60,138,650)	(4,463,962)	(22,981,506)	(16,144,211)	(9,684,346)	(12,311,339)	(188,472)	40,676	(4,265,052)	2,804,575
Business-type Activities	982,689	738,628	(22,587)	1,041,579	1,208,858	(357,005)	119,245	(887,525)	118,277	(782,266)
Total Primary Government	(59,155,961)	(3,725,334)	(23,004,093)	(15,102,632)	(8,475,488)	(12,668,344)	(69,227)	(846,849)	(4,146,775)	2,022,309
Net Position, beginning of year, as restated	1,120,047,262	1,060,891,301	1,020,753,922	998,145,768	983,043,136	969,317,836	956,649,492	956,323,854	955,477,005	951,330,230
Net Position, end of year	\$ 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	\$ 953,352,539

*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

	2012*	2013	2014	Restated 2015	2016	Restated 2017	2018	2019	2020	2021
General Fund										
Nonspendable:										
Prepays	\$ 163,748	\$ 100,272	\$ 72,645	\$ 75,669	\$ 277,606	\$ 265,642	\$ 301,379	\$ 285,958	\$ 26,625	\$ 424,133
Advances from other funds	-	-	-	-	500,000	-	-	-	-	-
Inventory	5,134	16,432	36,614	16,757	5,349	37,466	-	107,553	-	4,386
Assigned for use in subsequent budget	-	-	-	-	-	-	-	-	-	-
Unassigned	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	52,039,164
Total General Fund	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	52,467,683
All Other Governmental Funds										
Nonspendable:										
Prepays	446,502	414,632	342,438	351,894	362,125	334,485	288,317	29,057	43,720	91,391
Advances from Other Funds	-	-	-	500,000	-	-	-	-	-	-
Inventory	-	-	-	395,939	804,091	517,017	469,441	447,349	401,510	397,446
Restricted:										
Law library operations	627,713	642,423	657,910	590,095	561,679	585,268	541,706	534,301	494,949	528,015
Senior services	58,266	46,352	16,310	20,175	26,895	146,606	267,868	353,268	307,428	413,367
Public safety	1,171,253	1,157,181	338,761	152,787	90,165	191,819	138,229	210,851	449,622	389,847
Court services	-	-	532,700	1,320,763	1,501,402	1,638,143	1,656,796	1,807,701	1,445,526	1,305,156
SPLOST projects	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	46,372,773
Donations for improvements	17,428	28,834	-	-	-	-	-	-	-	-
Grant activities	103,426	148,199	411,560	600,514	615,484	513,080	535,036	552,798	475,154	480,049
Jail operation and maintenance	1,012,584	986,710	1,011,153	1,020,298	771,302	826,431	954,356	1,071,632	697,070	586,597
E911 operations	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	3,430,586
Hotel/Motel tax	-	-	592,744	-	-	-	-	-	-	-
Impact fees - library projects	397,914	527,456	699,631	950,600	1,201,530	1,422,710	1,646,867	1,876,478	2,172,816	2,501,421
Impact fees - fire projects	154,133	668,982	782,975	947,438	1,540,006	636,141	787,154	920,319	1,286,557	2,160,871
Impact fees - park projects	669,924	860,450	457,013	709,959	896,405	420,846	735,347	1,048,794	1,441,401	1,873,568
Impact fees - public safety facility projects	1,300,247	1,582,939	1,728,259	1,987,614	2,340,518	2,749,144	3,170,994	3,532,319	2,295,355	251,846
Impact fees - road projects	1,092,657	1,472,878	1,516,164	1,576,746	1,701,879	1,813,874	1,950,441	2,093,348	3,906,198	345,648
Impact fees - administration projects	446,199	151,215	344,958	383,851	351,507	400,549	433,907	490,980	500,204	477,991
Impact fees - Canton fire stations	-	-	-	-	583,713	636,098	287,735	270,953	547,587	965,360
Health and welfare	26,131	9,173	-	89,290	179,445	130,742	329,680	516,196	647,624	635,693
Debt service	7,969,618	769,088	1,302,487	700,780	180,029	712,020	853,983	888,196	817,267	912,268
Cultural and recreation construction	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	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	10,179,987
Committed:										
Jail and inmate services	65,301	24,386	29,637	51,919	243,618	453,562	642,412	675,410	507,172	358,265
Animal services	47,271	70,713	34,312	55,923	298,110	350,616	406,601	***	***	***
Park and recreation activities	64,916	442,890	408,684	281,298	487,980	358,846	426,041	512,741	462,005	890,689
Unassigned	(32,384)	(27,666)	(7,652)	(2,891)	(178)	-	-	(47,816)	(138,917)	(272,609)
Total All Other Governmental Funds	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	75,276,225
Total All Governmental Funds	\$ 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	\$ 127,743,908

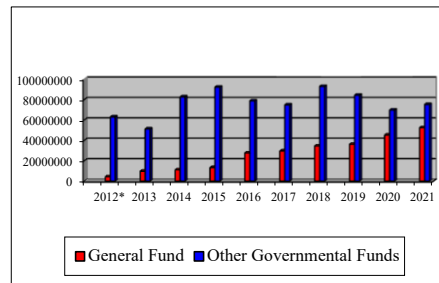
* NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

** 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)**

	2012*	2013	2014	Restated 2015	2016	Restated 2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 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	\$ 187,314,891
Licenses and permits	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	3,476,780
Fines and penalties	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	6,387,334
Charges for services	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	23,528,412
Intergovernmental	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	19,778,145
Investment earnings	43,807	45,472	123,887	203,479	413,581	881,925	1,955,808	3,433,656	1,608,487	117,410
Other revenues	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	2,380,819
Total revenues	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	242,983,791
Expenditures										
General government	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	19,870,939
Judicial	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	21,120,533
Public safety	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	95,292,691
Public works	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	12,038,679
Health and welfare	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	3,703,516
Culture and recreation	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	8,209,209
Housing and development	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	7,458,360
Intergovernmental	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	16,270,444
Capital Outlay	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	36,333,793
Debt Service:										
Principal	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	6,056,156
Bond issuance costs	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	1,462,464
Total expenditures	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	227,816,784
Excess (deficiency) of revenues over (under) expenditures	(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)	15,167,007
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	40,884
Proceeds from sale of assets	44,271	42,427	760,320	422,439	94,290	323,001	99,271	32,107	354,841	1,936,034
Payment to refunded bond escrow	-	-	-	-	(28,201,489)	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	197,308	472,630	127,472	174,464	113,014
Transfers in	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	10,634,864
Transfers out	(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)	(15,354,950)
Total other financing sources (uses)	10,881,822	(756,722)	22,660,655	(1,581,811)	(437,249)	(860,415)	(608,634)	(2,199,193)	(2,791,266)	(2,630,154)
Net Change in Fund Balance	(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)	12,536,853
Fund Balances, beginning of the year (restated)	90,492,370	67,436,417	61,091,447	93,914,869	105,775,875	106,580,938	104,529,861	127,581,405	120,689,390	115,207,055
Fund Balances, end of year	\$ 67,436,417	\$ 61,091,447	\$ 93,914,869	\$ 105,379,935	\$ 106,580,938	\$ 103,919,115	\$ 127,581,405	\$ 120,689,390	\$ 115,207,055	\$ 127,743,908

*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	7.04%	12.23%	5.34%	5.88%	6.10%	7.74%	4.95%	6.80%	5.35%	3.95%
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CHEROKEE COUNTY, GEORGIA

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

Function/Program	2012*	2013	2014	2015	2016	2017	2018	2019	2020	2021
Primary Government:										
Governmental Activities:										
General government	\$ 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	\$ 11,389,552
Judicial	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	8,378,470
Public safety	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	16,305,743
Public works	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	18,314,373
Health and welfare	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	1,546,954
Culture and recreation	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	3,060,019
Housing and development	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	2,858,490
Total Governmental Activities	23,183,098	38,764,917	38,055,519	43,722,482	50,616,365	45,079,443	54,609,344	64,792,027	67,617,150	61,853,601
Business-type Activities:										
Emergency medical services	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	5,607,091
Conference center	14,610	114,874	36,200	37,243	365,779	349,853	315,515	349,018	210,103	164,542
Total Business-type Activities	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	5,771,633
Total Primary Government	\$ 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	\$ 67,625,234

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

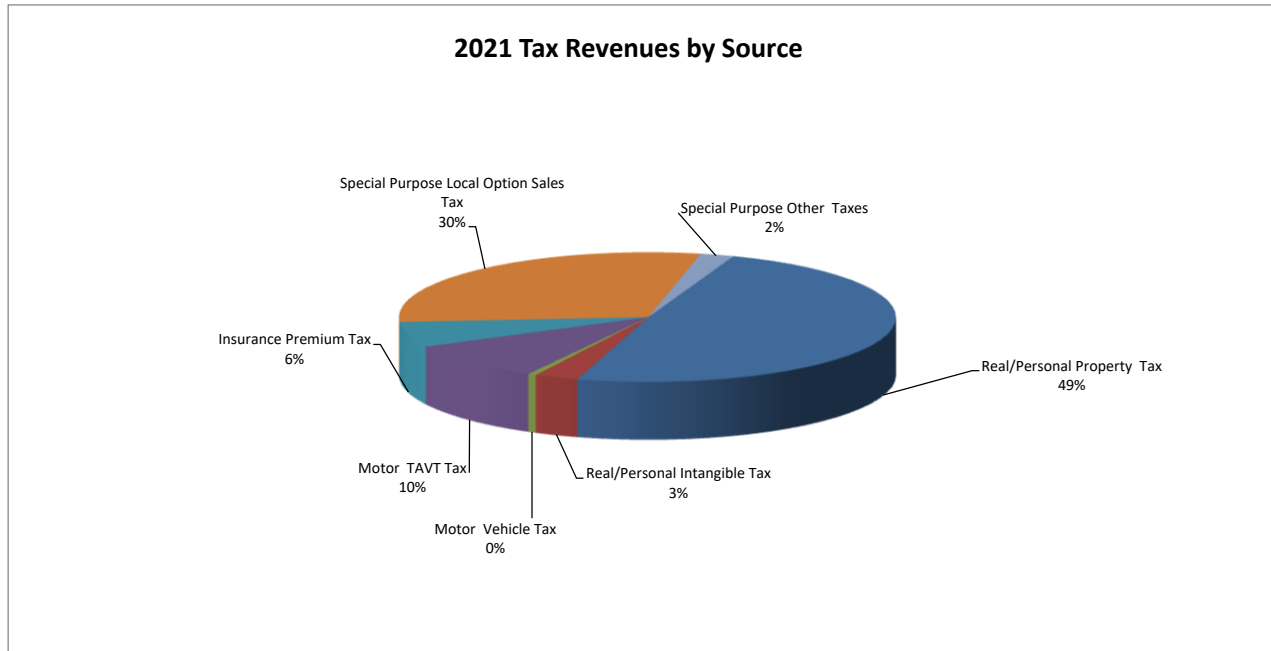
CHEROKEE COUNTY, GEORGIA

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
9/30/2012*	3,191,463	1,118,726	4,329,554	-	6,953,110	22,705,059	2,236,946	40,534,859
9/30/2013	56,803,150	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	135,308,469
9/30/2018	76,735,673	2,478,656	1,466,659	9,246,416	10,029,142	38,959,919	3,932,210	142,848,677
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
9/30/2021	91,825,251	5,366,345	976,449	17,861,935	11,815,774	55,394,284	4,074,853	187,314,891

*NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from 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	
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
2021	11,185,683,978	27,964,209,945	1,635,187,177	4,087,967,943	281,972,155	704,930,388	1,992,308,810	13,707,479,933	34,268,699,833	8.938

* 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	
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	0.000	19.450	29.547
2014	5.728	3.436	0.744	9.908	0.10	19.450	0.000	19.450	29.458
2015	5.720	3.436	0.744	9.900	0.05	19.450	0.000	19.450	29.400
2016	5.680	3.374	0.609	9.663	0.00	19.450	0.400	19.850	29.513
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
2021	5.212	3.292	0.434	8.938	0.00	18.250	1.200	19.450	28.388

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
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%
2021	1.00%	1.00%	4.00%	6.00%

PRINCIPAL PROPERTY TAXPAYERS
September 30, 2021

Taxpayer	2021			2012		
	Assessed Value	Rank	Assessment	Assessed Value	Rank	Assessment
Georgia Power	\$ 72,762,545	1	0.53%	44,033,761	1	0.61%
Atlanta Gas	41,541,299	2	0.30%	29,734,428	2	0.42%
Universal Alloy	34,129,224	3	0.25%			
Hudson Capital Cherokee I LLC	32,699,282	4	0.24%	23,768,024	3	0.33%
Cobb EMC	30,740,794	5	0.22%			
Solomon-Woodstock LLC	24,935,920	6	0.18%			
MP the Palmer	24,028,748	7	0.18%			
Bcore MF Holly Six Owner LCL	20,310,080	8	0.15%	15,353,788	5	0.22%
Georgia Transmission	19,395,837	9	0.14%			
MA Darby at Holly Springs LLC	17,882,760	10	0.13%			
GLL Selection II Georgia LP				18,149,960	4	0.25%
Windstream Georgia Comm Corp				14,144,924	6	0.20%
CH Realty IV / Woodstock, LLC				12,474,040	8	0.17%
DDRM Riverstone Plaza LLC				11,033,680	9	0.15%
BellSouth Telecommunications				13,024,043	7	0.18%
Sawnee EMC				9,915,062	10	0.14%
	<u>\$ 318,426,489</u>		<u>2.32%</u>	<u>\$ 191,631,710</u>		<u>2.67%</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
2012	55,452,483	1,359,612	2.45%	53,968,579	10-01-12 to 11-30-18	55,328,191	99.78%
2013	56,423,411	769,001	1.36%	55,661,005	10-01-13 to 11-30-18	56,430,006	100.01%
2014	62,612,461	2,137,638	3.41%	60,140,814	10-01-14 to 11-30-18	62,278,452	99.47%
2015	68,137,272	121,805	0.18%	67,898,311	10-01-15 to 11-30-18	68,020,116	99.83%
2016	71,963,231	273,107	0.38%	71,646,758	10-01-16 to 11-30-18	71,919,865	99.94%
2017	76,595,461	1,065,069	1.39%	74,987,752	10-01-17 to 11-30-18	76,052,821	99.29%
2018	79,677,237	4,317,131	5.42%	75,049,401	10-01-18 to 11-30-18	79,366,532	99.61%
2019	84,610,660	5,304,888	6.27%	78,959,859	10-01-19 to 11-30-19	84,264,747	99.59%
2020	90,479,088	4,798,125	5.30%	84,577,670	10-01-20 to 11-30-20	89,375,795	98.78%
2021	97,645,768	6,251,389	6.40%	85,291,016	10-01-21 to 11-30-21	91,542,405	93.75%

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>9/30/2015</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>	<u>9/30/2021</u>
2015	* \$	148,729 \$	27,180 \$	9,137 \$	10,677 \$	5,501 \$	7,002
2016	-	-	48,141	11,672	13,120	9,350	6,602
2017	-	-	229,559	22,501	49,198	46,366	40,375
2018				531,251	96,010	60,305	52,608
2019					487,334	91,023	35,602
2020						403,037	54,709
2021							327,092
TOTAL	\$ -	\$ 148,729	\$ 304,881	\$ 574,561	\$ 656,339	\$ 615,581	\$ 523,990

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					
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	56,278	
2021	47,274,894	3,191,821	-	775,033	-	51,241,748	0.33%	188.30	272,130	56,278 *	

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	Development Authority Bonds	Resource Recovery Development Authority						
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
2021	47,274,894		3,191,821	(145,684)	50,612,399	0.37%	185.99	272,130	13,707,479,933

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, 2021**

(Unaudited)

General Obligation Debt:		
2010 Issue	5,167,000	
2012 Issue	2,785,000	
2014 Issue	16,943,000	
2016 Refunding	22,379,894	
Total General Obligation Debt	47,274,894	47,274,894
Capital Lease Debt		775,033
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	3,191,821	
Total Guaranteed Revenue Debt	3,191,821	3,191,821
Total Direct Debt		51,241,748
City of Canton	17,342,978	
City of Woodstock	11,643,916	
City of Holly Springs	9,278,548	
City of Ball Ground	1,449,204	
Cherokee County School System	445,530,482	
Total Overlapping Debt		485,245,128
Total Direct and Overlapping Debt		\$ 536,486,876
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	\$ 173.72	
Direct Capital Lease Debt	2.85	
Direct Guaranteed Revenue Debt	11.73	
Overlapping General Obligation Debt	1,783.14	
	\$ 1,971.44	

(1) Based on estimated population of 272,130 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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed Value	\$ 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	\$ 13,707,480
Debt Limit: 10% of assessed	718,401	734,696	792,216	852,413	925,528	963,118	1,037,118	1,136,686	1,225,180	1,370,748
Less: Debt applicable to debt limit	65,317	56,018	75,810	71,658	71,015	66,605	62,034	57,298	52,365	47,275
Legal Debt Margin	\$ 653,084	\$ 678,678	\$ 716,406	\$ 780,755	\$ 854,513	\$ 896,513	\$ 975,084	\$ 1,079,388	\$ 1,172,815	\$ 1,323,473

CHEROKEE COUNTY, GEORGIA

**PLEGDED- 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
2012*	-	-	-	-	22,705	8,947	13,758	-	234	58.79
2013	-	-	-	-	30,239	28,263	1,976	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)	-	-	-
2021	-	-	-	-	55,394	59,448	(4,054)	-	-	-

*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
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	15,050,707	56,278	37.7	41,230	4.10%
9/30/2021	272,130	15,314,932	56,278 *	38.0	41,901	1.70%

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**

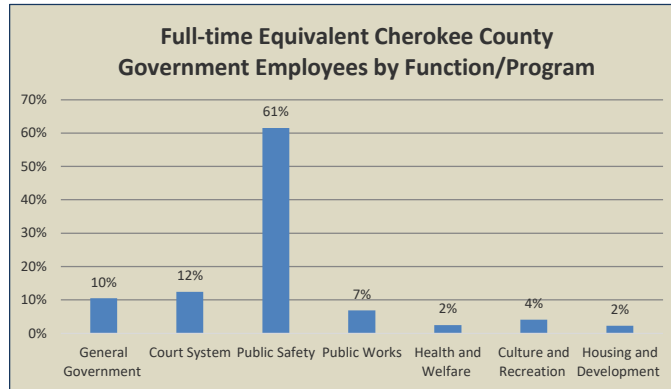
Employer	2021			2012		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Cherokee County Schools	4,888	1	3.6%	4,445	1	3.9%
Northside-Cherokee Hospital	3,400	2	2.5%	870	5	0.8%
Cherokee County Government	1,615	3	1.2%	1,361	2	1.2%
Publix Supermarkets	1,575	4	1.1%	932	4	0.8%
Wal-Mart Associates, Inc.	1,124	5	0.8%	1,060	3	0.9%
Inalfa Roof Systems	1,000	6	0.7%			0.0%
Kroger Supermarkets	996	7	0.7%			0.0%
Home Depot	762	8	0.6%			0.0%
Pilgrims Pride Corp.	760	9	0.6%	840	6	0.8%
Universal Alloy Corporation	603	10	0.4%	245	10	0.2%
Chart Inc.				486	7	0.4%
Target				250	9	0.2%
Reinhardt University				387	8	0.4%
	<u>16,723</u>		<u>12.2%</u>	<u>10,876</u>		<u>9.6%</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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	127	126	127	133	133	138	154	161	164	165
Court System	154	155	161	161	164	178	184	194	195	197
Public Safety	742	745	769	794	816	826	888	924	963	1,001
Public Works	90	87	87	91	93	95	101	105	107	106
Health and Welfare	33	32	32	32	28	34	37	38	39	38
Culture and Recreation	41	62	70	71	67	68	69	70	64	72
Housing and Development	22	22	26	26	27	31	33	36	35	35
Total	1,209	1,229	1,272	1,308	1,328	1,370	1,466	1,528	1,567	1,614
		1.65%	3.50%	2.83%	1.53%	3.16%	7.01%	4.23%	2.55%	3.00%



CHEROKEE COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
 Unaudited

	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	YE 9/30
Function/Program	2012*	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Total registered voters	143,863	147,813	147,965	151,842	164,920	163,869	177,683	189,624	197,834	200,870
Judicial System										
Total criminal dockets	1,171	1,844	1,272	1,354	1,128	1,195	1,108	1,407	1,385	1,848
Total civil cases filed	1,171	2,717	2,445	1,354	2,746	2,657	2,464	2,585	2,335	2,297
Felony arrest warrants	1,702	1,657	2,150	2,412	2,671	3,070	3,370	3,679	3,200	3,590
Marriage licenses issued	769	1,085	1,142	1,199	1,312	1,379	1,189	1,252	1,460	1,734
Firearm licenses issued	2,224	5,307	4,165	4,813	7,088	4,970	5,937	5,650	7,253	12,237
Public Safety										
Physical arrests	5,409	6,351	5,843	5,848	6,351	5,429	5,739	5,982	4,395	6,084
Fire emergency responses	18,820	18,704	21,074	22,015	24,526	25,765	26,651	27,448	27,732	30,046
EMS dispatches	13,771	13,638	15,073	16,056	16,616	16,842	18,091	18,744	18,695	20,969
All E-911 calls	320,339	317,515	330,337	340,642	343,709	330,933	332,141	324,018	309,717	310,751
EOC activations	2	9	7	3	4	10	6	5	8	15
Public Works										
Miles maintained	1,289	1,290	1,298	1,308	1,318	1,320	1,327	1,334	1,265	1,247
GDOT LARP/LMIG resurfaced	8	8	20	9	7	11	43	85	6	17
Health and Welfare										
Home delivered meals	34,103	39,207	43,754	37,598	38,335	28,900	31,983	32,102	33,977	43,716
Housing and Development										
Building inspections conducted	4,854	8,676	11,252	12,909	17,769	23,624	26,040	32,278	29,200	32,358
New business licenses	743	777	790	908	763	624	737	710	673	695
Business license renewals	4,117	5,316	5,192	4,926	6,113	7,245	5,318	3,834	5,218	4,098

*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>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>	<u>2021</u>
Governmental										
Buildings/Land	19	20	19	19	19	16	24	24	24	25
Vehicles	31	31	32	32	40	40	46	52	48	50
Judicial										
Buildings/Land	1	1	1	1	1	1	1	1	1	1
Vehicles	19	19	19	19	19	22	18	25	26	25
Sheriff/Law Inforcement										
Buildings/Training Ctr/Land	11	11	13	11	11	11	11	12	12	12
Vehicles	268	279	272	267	274	285	284	284	292	342
Fire/EMS										
Fire Stations/Training Ctr/Land	21	21	24	25	26	29	30	30	31	33
Vehicles	81	81	80	81	81	81	86	87	99	99
Pumpers/Ladder Trucks	38	39	40	43	40	41	45	44	44	44
Animal Shelter/Animal Control										
Building/Land	2	2	2	2	2	2	3	4	4	4
Vehicles	8	9	9	10	10	11	12	10	11	10
Public Works										
Buildings/Land	9	9	9	9	10	11	11	12	12	12
Street Miles	1,285	1,290	1,298	1,308	1,318	1,320	1,327	1,334	1,265	1,247
Traffic Signals	52	53	54	54	55	56	56	58	58	58
Bridges/Culverts	70	70	70	70	70	70	70	70	82	78
Vehicles	63	65	68	68	78	74	81	89	86	86
Machinery & Equipment	57	58	57	62	69	71	74	80	78	76
Health Welfare										
Buildings/Land	3	2	3	8	8	8	10	10	10	10
Vehicles	6	6	5	5	8	12	11	14	18	16
Culture/Recreation										
Buildings/Land	58	59	58	59	59	58	59	60	60	62
Code Enforcement										
Buildings/Land	3	3	3	3	3	3	0	0	0	0
Vehicles	17	18	17	18	25	22	25	26	29	27
Environmental Health										
Vehicles	2	0	0	0	0	0	0	0	0	0
Ball Ground Recycling										
Buildings/Land	6	6	6	0	0	0	0	0	0	0
Machinery & Equipment	44	44	44	0	0	0	0	0	0	0
Total Assets	2,174	2,196	2,203	2,174	2,226	2,244	2,284	2,326	2,290	2,317

Source: Cherokee County Finance Department