

Cherokee County

1831
GEORGIA



Annual Comprehensive Financial Report
For Fiscal Year Ended September 30, 2022

CHEROKEE COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022

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, 2022**

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(Unaudited)**

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March 28, 2023

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 2022 Annual Comprehensive Financial Report, is published to fulfill that requirement for the fiscal year ended September 30, 2022.

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, 2022. 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 279,435, it is the seventh largest of Georgia’s 159 counties. When people think of Cherokee County, Georgia, they often think of its rugged beauty and eclectic community. For example, the county boasts over 4,000+/- acres of parks and greenspace. 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.



Park at City Center, Woodstock



Downtown Ball Ground



Downtown Canton



Holly Springs Train Depot & Community Center



Cline Store, Waleska

Profile of Government

Cherokee County is governed by a five member Board of Commissioners, which includes a Commission chairman.

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 279,435 citizens and 6,000 businesses. Included in these services are traditional county functions such as public safety (sheriff office, fire protection, and emergency/ambulance services), code enforcement, judicial/court services, planning and zoning, business licenses and building permits, road maintenance, parks and recreation, senior services, animal shelter services, and bus transportation.

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

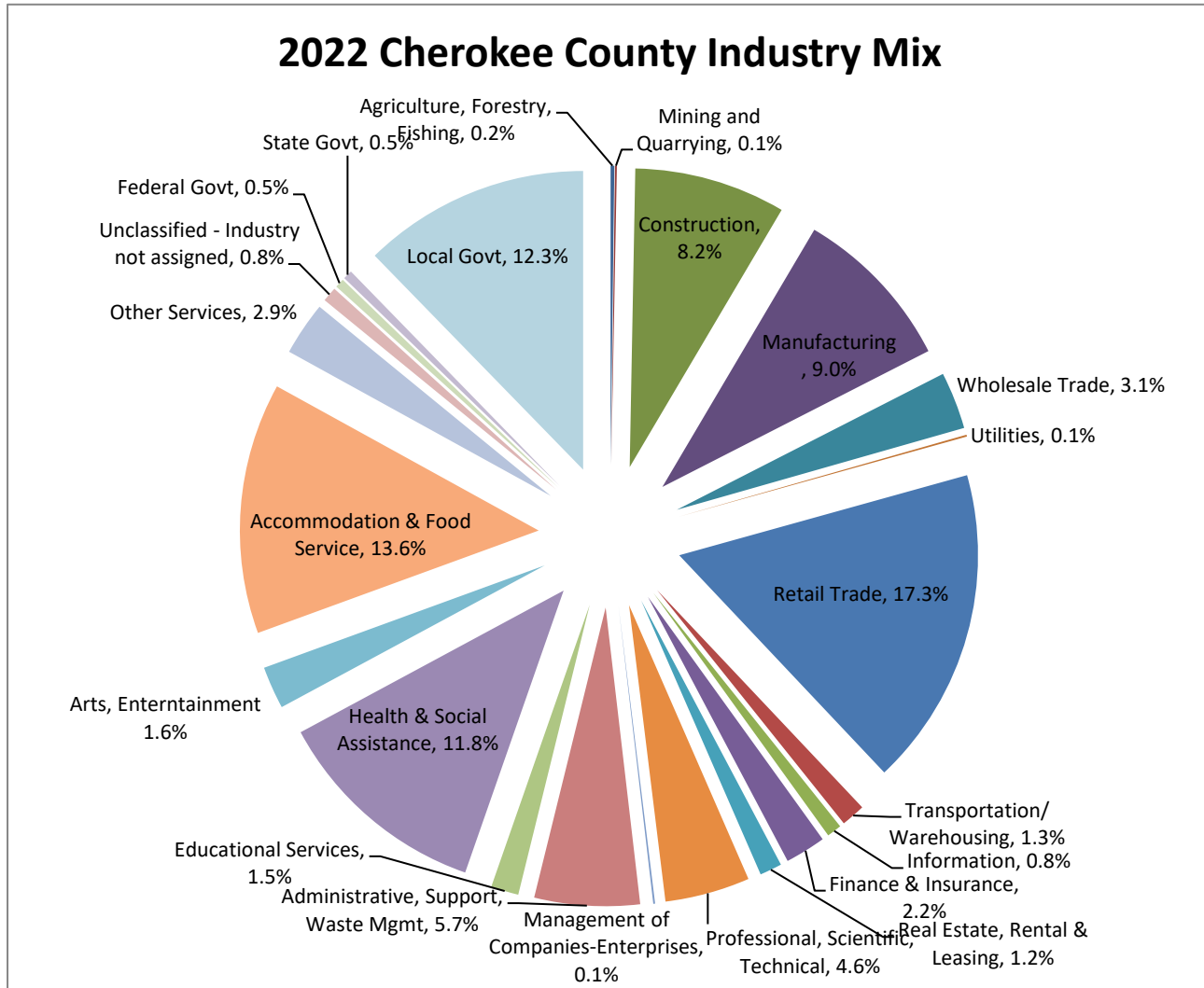


Front Row (L-R):
Benny Carter-
Commissioner Post 3
Harry Johnston,
Chairman
Steve West-
Commissioner Post 1
2nd Row (L-R):
Corey Ragsdale-
Commissioner Post 4
Richard Weatherby-
Commissioner Post 2

Local Economy

INDUSTRY MIX

Cherokee County's Industry mix is 68.5% Services, 17.5% Goods, 13.3% Government and .8% Unclassified.

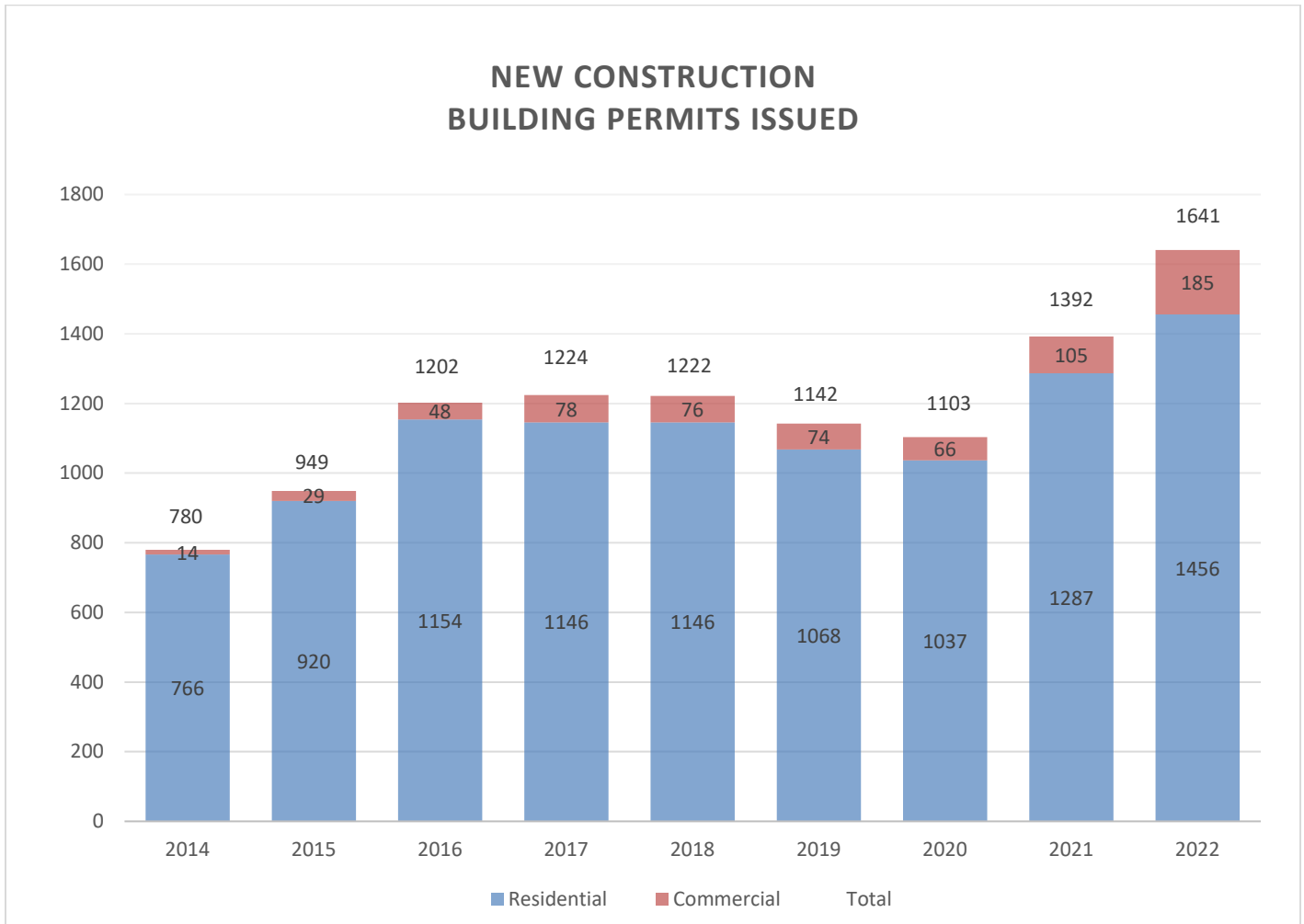


Source: <http://explorer.dol.state.ga.us/mis/Profiles/Counties/Cherokee.pdf>

The industry mix has been relatively unchanged between 2014 and 2022. 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 8.2% in 2022.

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 since then there has been a considerable increase of 49%, 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, 2022, Cherokee County’s jobless rate had increased slightly from 1.7% in 2021 to 2.4% in 2022. The county’s unemployment rate continues to be lower than the statewide unemployment rate of 2.8% and the national rate of 3.5%. 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.

ECONOMIC DEVELOPMENT

Cherokee County Film Activity



Cast and crew of **These Stones** prepare for a shot in Free Home

Local screenwriter Cheryl McKay Price created a 6-episode faith-based television series **These Stones**, which was written, produced, and filmed almost entirely in Cherokee County.

Workforce Initiatives

Hands-On, Interactive Careers

Be Pro Be Proud Georgia is an initiative that changes the mindset of students, parents, and educators on the importance of the skilled trades. The interactive website (www.beprobeproudga.org) and gamified Mobile Workshop features 15 high-demand skilled professions with 10 percent or more growth potential while highlighting annual wages earned, how to get training, and where to find employment.



New/Expanding Industries



- Becker Robotic Equipment
- Chart Industries
- Dagard USA
- Gerflor Extrusions Inc
- International Marble Industries
- Northside Hospital – Cherokee
- Pillow Perfect
- Piolax Corporation
- PLAE
- Thomas Regout, Inc
- Universal Allov Corporation

Development in Cherokee

- 1 New 86-acre Airport Site
- 2 Bluffs 1 & 2 Sites, Canton Corporate Park, The Jones Building Redevelopment
- 3 Holly Springs Town Center
- 4 Woodstock City Center
- 5 Cherokee 75 Trails



2022 HIGHLIGHTS



Road Projects

- East Cherokee Drive @ South Holly Springs Rd/Thornwood Rd
- Hwy 140 @ E Cherokee Drive
- Right-of-way acquisition for Bells Ferry Road Expansion in partnership with GDOT
- Union Hill Road over Canton Creek

Renovation of Hickory Flat Gym

Land acquisition for new park in Hickory Flat

WHAT IS ON THE HORIZON FOR 2023?

- Completion of the L.B. Ahrens Recreation Center
- Courthouse expansion and new parking deck
- Replacement Fire Stations in Mica and Sutallee
- Expansion of Fire Station on Sugar Pike
- New Elections Building
- New Public Works Facility



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. Due to higher housing prices, our 2022 Tax Digest increased 16.12%, of which 2.78% was new growth. We anticipate the 2023 Digest will increase approximately 17.99% in total, including 3.25% new growth.

CURRENT 2022 TAX DIGEST AND HISTORY OF TAX LEVY						
	2017	2018	2019	2020	2021	2022
REAL	9,631,169,530	10,371,129,786	11,367,434,339	12,252,021,054	13,591,634,782	16,846,155,785
PERSONAL	440,936,267	482,207,765	546,451,490	565,557,856	579,559,133	682,864,581
MOTOR VEHICLES	221,656,730	168,958,850	138,891,860	116,053,730	97,858,520	89,146,610
MOBILE HOMES	14,032,720	14,796,578	15,198,674	15,360,150	15,972,188	17,426,112
TIMBER	794,208	1,366,283	995,672	1,567,828	1,085,620	566,521
GROSS M&O DIGEST	10,308,589,455	11,038,459,262	12,068,972,035	12,950,560,618	14,286,110,243	17,636,159,609
LESS M&O EXEMPTIONS	1,106,624,687	1,289,377,930	1,582,097,196	1,769,439,109	2,277,700,384	3,691,837,749
NET M&O DIGEST	9,201,964,768	9,749,081,332	10,486,874,839	11,181,121,509	12,008,409,859	13,944,321,860
NET M&O DIGEST CHANGE	8.43%	5.95%	7.57%	6.62%	7.40%	16.12%

Profile of County Population 2022

RACE	Cherokee	Georgia	US
White	76.9%	51.0%	59.3%
Black	8.0%	33.0%	13.6%
Hispanic	11.3%	10.2%	18.9%
Asian	2.4%	4.6%	6.1%
Other	1.4%	1.2%	2.1%
Total	100.0%	100.0%	100.0%

EDUCATION (age25+)	Cherokee	Georgia	US
High School Graduates	91.9%	88.2%	88.9%
Bachelor's Degree or Higher	38.4%	33.0%	33.7%

GROWTH	Cherokee	Georgia	US
Population % Change 2010 - 2020	24.4%	10.6%	7.4%

INCOME	Cherokee	Georgia	US
Median Household Income	\$90,681	\$65,030	\$69,021

HOMEOWNERSHIP	Cherokee	Georgia	US
Homeownership Rate	76.6%	64.5%	64.6%

POVERTY	Cherokee	Georgia	US
Persons Below Poverty Level	7.0%	14.0%	11.6%

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

A strong economy has kept Cherokee County as one of Georgia’s fastest growing counties with a 24.4% increase in population from 2012-2020 compared to 10.6% for the state of Georgia and 7.4% for the nation during the same period. Furthermore, the forecast for Cherokee county is to continue its 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.

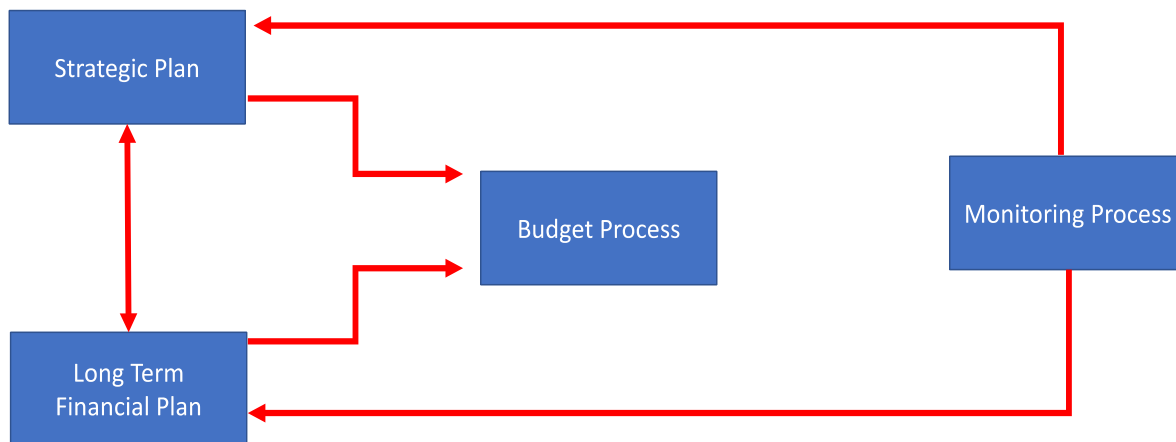
The chart below illustrates how financial planning and strategic planning work together to establish long-term, strategic direction, which then affects the budget process. The budget is used to operationalize strategies called for by the financial plan and strategic plan.

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.

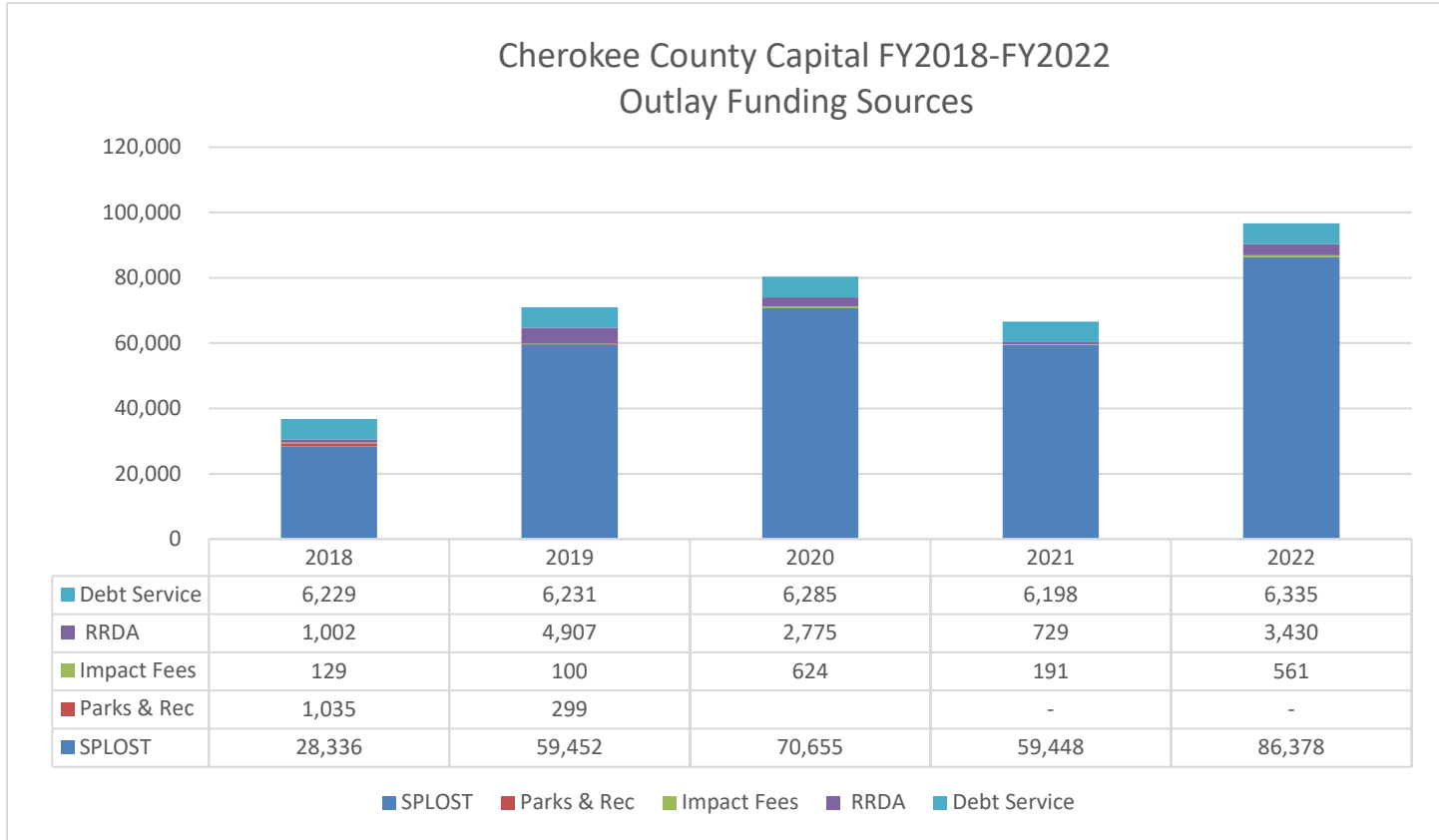
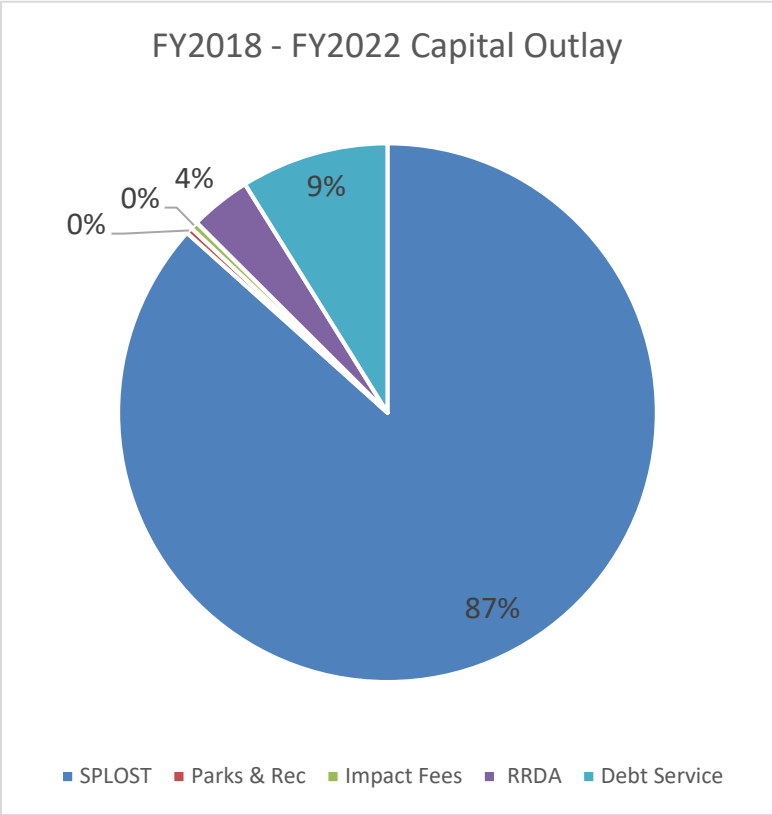
The County's philosophy concerning the use of the CIP is that it should be considered as a financial planning tool that lists the County's capital improvement projects, places projects in a priority order, and schedules the projects for funding and implementation.

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-FY2022, SPLOST accounted for 87% of the funds used to fund Capital projects followed by Debt Service at 9%. Over the five-year period from FY2018-FY2022, Cherokee County has invested a total of \$351,475,000 in Capital in order to improve the infrastructure and provide top quality services to the citizens of Cherokee County. A new SPLOST was approved by voters in Nov 2022. It will 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 10th consecutive year in 2022 for the fiscal year ended September 30, 2021. 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 2022 for the fiscal year ended September 30, 2021 for the seventh 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 sixth time in 2022 for the fiscal year ended September 30, 2021. 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.

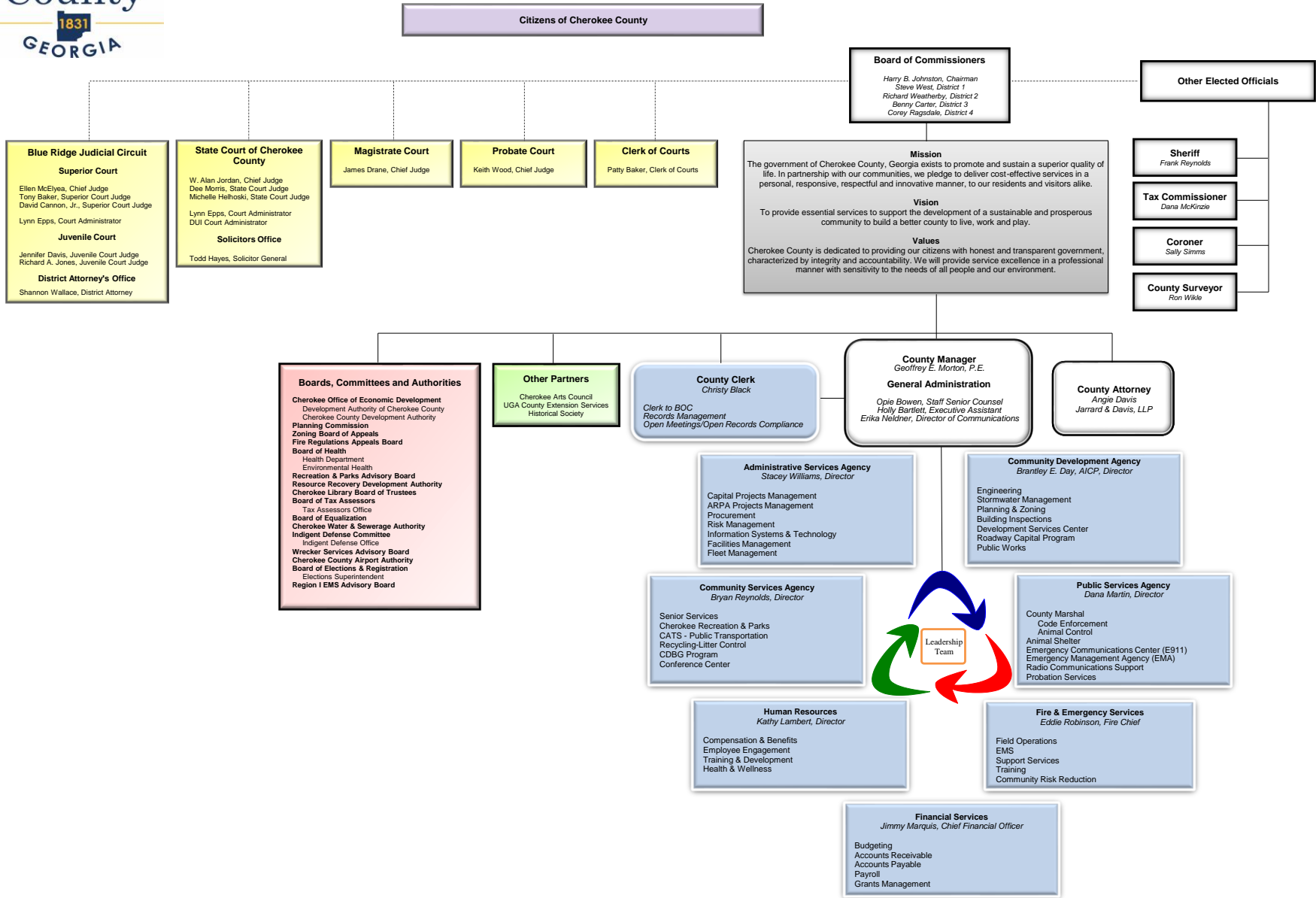
Respectfully submitted,

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, 2022

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
Dana McKinzie
Interim Tax Commissioner
Frank Reynolds
Sheriff
W. Alan Jordan
Chief State Court Judge

Allen D. Morris
State Court Judge
Michelle Helhoski
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
Eddie Robinson
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
Mike Haines
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, 2021

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 Audit of the Financial Statements

Opinions

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, 2022, 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.

In our opinion, the accompanying financial statements 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, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a

going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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.

Supplementary 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 combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules 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 are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Nichols, Cauley + Associates, LLC

Kennesaw, Georgia
March 28, 2023

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, 2022. 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 \$1,301,978,673 compared to liabilities and deferred inflows of \$341,303,360. Assets and deferred outflows were 3.8 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 \$953,352,539 to \$960,675,313.
- ❖ **Fund Balances:** As of September 30, 2022, Cherokee County's governmental funds reported combined ending fund balances of \$126,222,848 compared to \$127,743,908 reported in FY2021. The net decrease of \$1,521,060 was due to the use of SPLOST funds, which included several large SPLOST projects, W.B. Ahrens Recreation Center, 2 replacement Fire Stations, additional land purchased for Parks.
 - SPLOST sales tax revenues remained very strong showing an increase of \$7,135,738 over FY2021. In FY2022, there were several large SPLOST projects taking place, which resulted in spending exceeding revenue for the year, which caused a decrease in the fund balance.
 - Cherokee County's property taxes were \$123,144,942 in FY2022 as compared to \$116,029,980 in 2021. The increase of \$7,114,962 or 6.13% over FY2021 was due to an increase in Property taxes of \$6,997,953, TAVT increased \$1,264,579 and Intangibles decreased \$1,261,186.
 - Intergovernmental revenue increased in FY2022 by \$24,481,640. A large amount of the ARPA and CARES Act funds were treated as deferred revenue in FY2021. In FY2022, \$24.5M was expended from these two sources, which accounted for the increase in Intergovernmental revenue.
 - Licenses and Permits increased \$373,581 in FY2022 while Charges for Services increased \$2,955,738 and Investment income increased \$992,852 due to the increase in interest rates throughout the year.
- ❖ **Debt:** Bonds Payable decreased from \$50,185,000 to \$41,720,000. This represents a decrease of \$8,465,000 (16.9%), 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 \$5,175,000. The RRDA bonds were retired in FY2022. The accelerated payment of the RRDA loans resulted in interest savings of \$406,248 in FY2022 and \$7,562,797 from FY2016-FY2022.

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* 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 when 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 \$960,675,313 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	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and Other Assets	\$ 292,625,739	\$ 276,603,236	\$ 4,332,848	\$ 3,217,394	\$ 296,958,587	\$ 279,820,630
Capital Assets	955,711,686	953,246,648	5,361,860	2,984,950	961,073,546	956,231,598
Total Assets	1,248,337,425	1,229,849,884	9,694,708	6,202,344	1,258,032,133	1,236,052,228
Deferred Outflows	41,002,782	46,391,609	2,943,758	3,239,316	43,946,540	49,630,925
Liabilities:						
Current Liabilities	57,961,283	64,510,005	483,670	684,143	58,444,953	65,194,148
Long Term Liabilities	144,291,930	146,843,502	6,761,095	6,771,291	151,053,025	153,614,793
Total Liabilities	202,253,213	211,353,507	7,244,765	7,455,434	209,497,978	218,808,941
Deferred Inflows	130,152,402	112,437,570	1,652,980	1,084,103	131,805,382	113,521,673
Net Position:						
Net Investment in capital assets	903,595,423	897,059,214	5,315,897	2,984,950	908,911,320	900,044,164
Restricted	66,362,884	78,921,584	-	-	66,362,884	78,921,584
Unrestricted	(13,023,715)	(23,530,382)	(1,575,176)	(2,082,827)	(14,598,891)	(25,613,209)
Total Net Position	\$ 956,934,592	\$ 952,450,416	\$ 3,740,721	\$ 902,123	\$ 960,675,313	\$ 953,352,539

The largest portion of Cherokee County's net position was \$908,911,320 or 94.6% in net investment in capital assets (e.g., land, buildings, machinery, and equipment). Cherokee County uses 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 FY2021, revenue from governmental activities increased \$43,088,072 or 17.2%. The following areas were key drivers for the increase:

- Grant revenue increased \$23.5M in Operating Grants. In FY2021, the county received a large amount from the American Rescue Plan Act (ARPA) but expended only a small portion resulting in the booking of deferred revenue. In FY2022, the county began spending the ARPA funds, resulting in the recognition of the corresponding revenue.
- Property taxes increased \$7.2M in FY2022, driven primarily by digest growth and higher TAVT receipts. The strengthening of the economy and the increase in business and commercial outlets in the County enabled Sales taxes to increase \$7.1M.
- There was also an increase in Insurance Premium Tax of \$2M and in interest revenue of \$.8M. The increase in interest revenue was due to the increase in interest rates.

Summary of Activities

	Governmental Fund Activities		Business Activities		Total	
	2022	2021	2022	2021	2022	2021
Program Revenue:						
Charges for Services	\$ 37,121,242	\$ 33,659,461	\$ 6,317,808	\$ 5,771,633	\$ 43,439,050	\$ 39,431,094
Operating Grants	40,701,834	17,240,045	-	-	40,701,834	17,240,045
Capital Grants	9,679,062	10,954,095	-	-	9,679,062	10,954,095
General Revenue:						
Property Taxes	122,863,066	115,682,246			122,863,066	115,682,246
Alcoholic Beverage Taxes	1,259,662	1,261,299			1,259,662	1,261,299
Franchise Taxes	2,405,668	2,468,536			2,405,668	2,468,536
Sales Taxes	62,530,022	55,394,284			62,530,022	55,394,284
Insurance Premium Taxes	13,789,717	11,815,774			13,789,717	11,815,774
Other Taxes	568,709	345,018			568,709	345,018
Interest	851,279	84,757			851,279	84,757
Other	1,474,279	1,250,953			1,474,279	1,250,953
TOTAL REVENUES	293,244,540	250,156,468	6,317,808	5,771,633	299,562,348	255,928,101
YOY Change \$	\$ 43,088,072		\$ 546,175		\$ 43,634,247	
YOY Change %	17.2%		9.5%		17.0%	
Program Expenses:						
General Government	21,915,246	19,603,441			21,915,246	19,603,441
Judicial	25,615,160	21,849,361			25,615,160	21,849,361
Public Safety	117,968,861	105,509,990			117,968,861	105,509,990
Public Works	80,271,097	69,868,513			80,271,097	69,868,513
Health and Welfare	4,685,924	3,986,700			4,685,924	3,986,700
Culture and Recreation	13,201,458	12,685,936			13,201,458	12,685,936
Housing and Development	14,742,550	7,728,579			14,742,550	7,728,579
Interest	1,170,153	1,399,287			1,170,153	1,399,287
Emergency Medical Services			12,159,301	10,877,961	12,159,301	10,877,961
Conference Center			509,824	396,024	509,824	396,024
TOTAL EXPENSES	279,570,449	242,631,807	12,669,125	11,273,985	292,239,574	253,905,792
Change in Net Position Before Transfers	13,674,091	7,524,661	(6,351,317)	(5,502,352)	7,322,774	2,022,309
Transfers	(9,189,915)	(4,720,086)	9,189,915	4,720,086	-	-
Changes in Net Position	4,484,176	2,804,575	2,838,598	(782,266)	7,322,774	2,022,309
Beginning Net Position	952,450,416	949,645,841	902,123	1,684,389	953,352,539	951,330,230
Restatement					-	-
Ending Net Position	\$ 956,934,592	\$ 952,450,416	\$ 3,740,721	\$ 902,123	\$ 960,675,313	\$ 953,352,539

Governmental Fund activities' expenses increased \$36.9M or 15.22% when compared to FY2021. General Government increased \$2.3M, Judicial increased \$3.8M, Public Safety increased \$12.4M, Public Works increased \$10.4M and Housing and Development increased \$7M.

- The increase in General Government of \$2.3M was due to employees receiving a 4% COLA in Oct 2021 and a 7% COLA in June 2022 in order to hedge against higher inflation while stabilizing employee retention. Increased employee benefit costs also contributed to the increase.
- Public Safety expenses increased \$12.4M over FY2021. All Public Safety employees received a 4% COLA and a 7% COLA as well as market pay adjustments. New public safety positions included 9 in the Sheriff's department and 13 in the Fire department. There were also higher medical costs for inmates.
- Public Works increased expenses \$10.4M. Personnel costs rose due to the 4% COLA, a 7% COLA and higher benefit costs; also road project began to ramp back up after the COVID/material slowdown.

- Housing and Development increased \$7M primarily due to a \$4.2M payment to the Economic Development Authority for the purchase of land in FY2022.

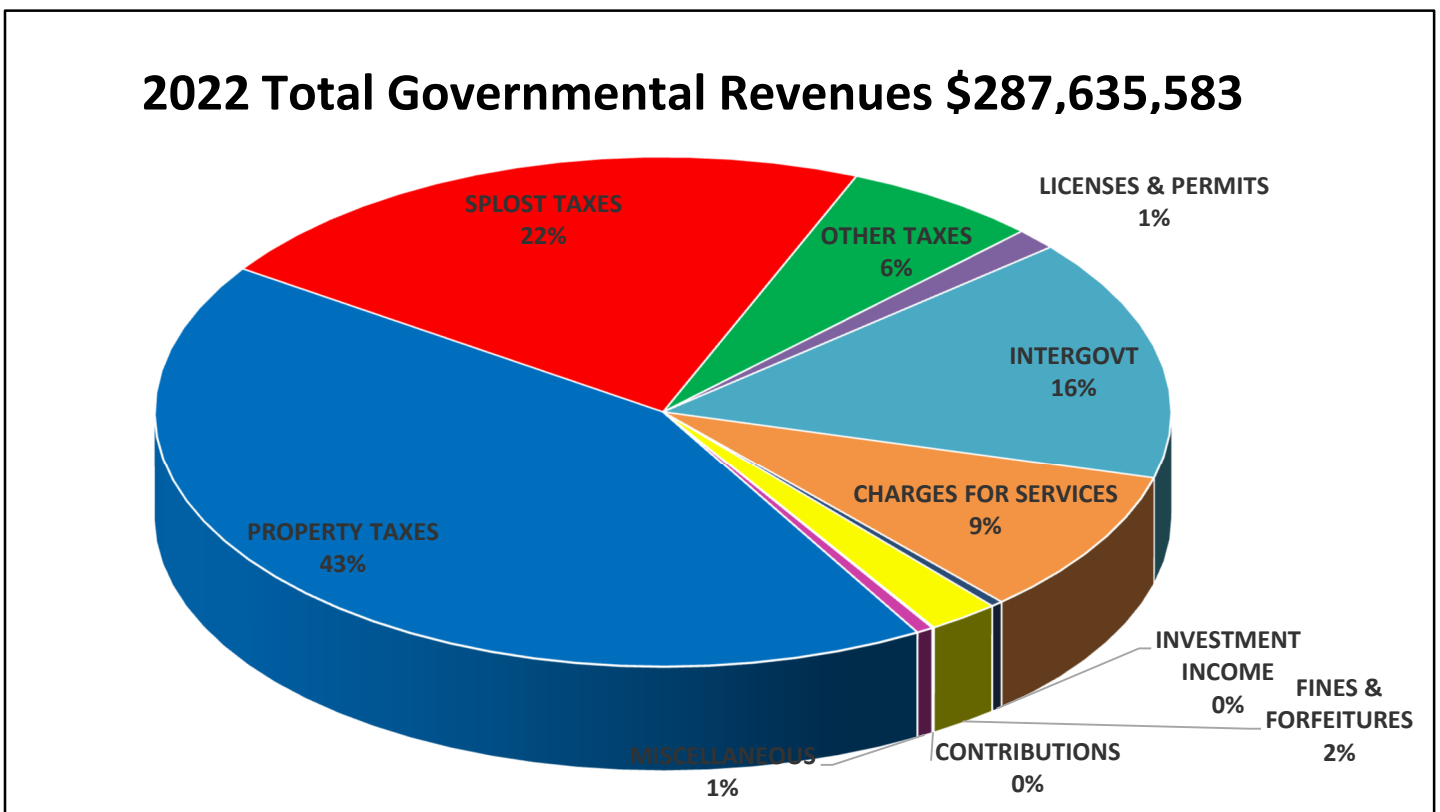
FUND FINANCIAL STATEMENT ANALYSIS

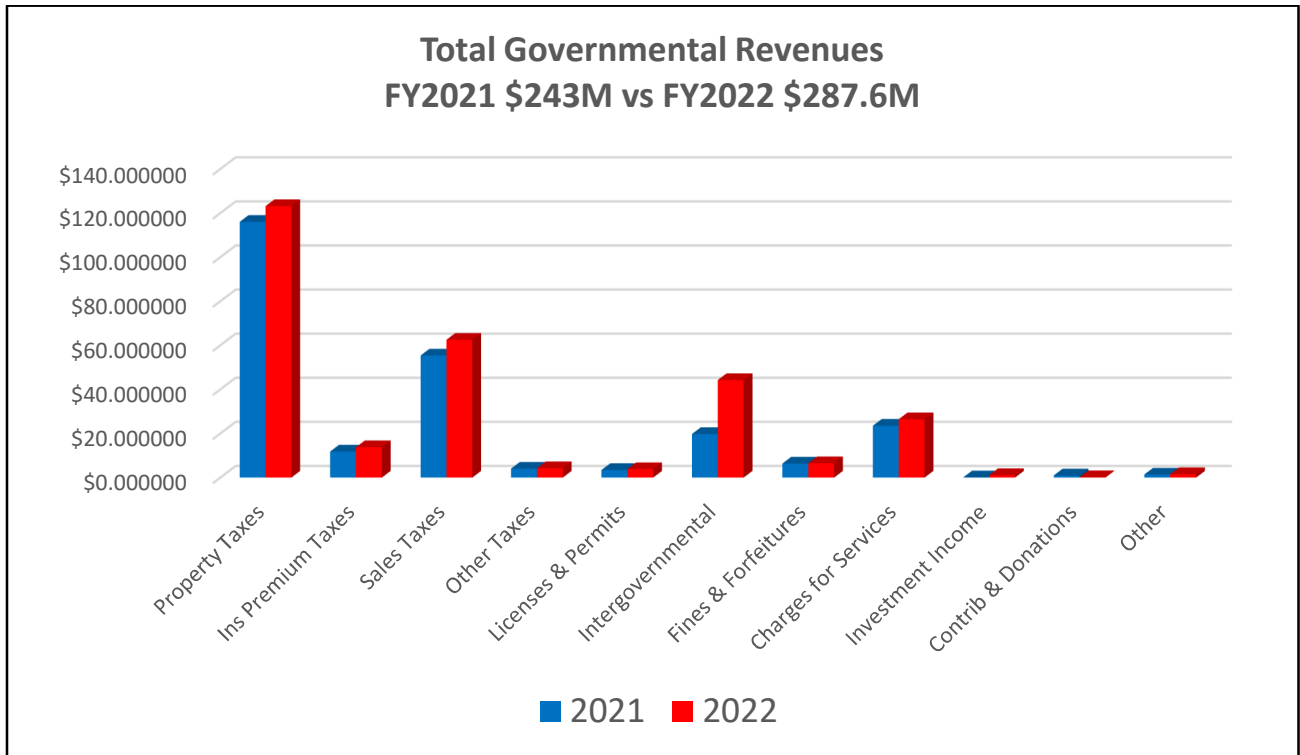
As noted earlier, Cherokee County uses fund accounting to ensure and demonstrate compliance with finance -related legal requirements. The focus of Cherokee County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is 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 FY2022 totaled \$287,635,583.

The majority of funding is from tax revenue, which totals \$203,698,720. Property taxes account for \$123,144,942, sales taxes \$62,530,022, insurance premium taxes of \$13,789,717, alcohol taxes of \$1,259,662 and other miscellaneous taxes of \$2,974,377.



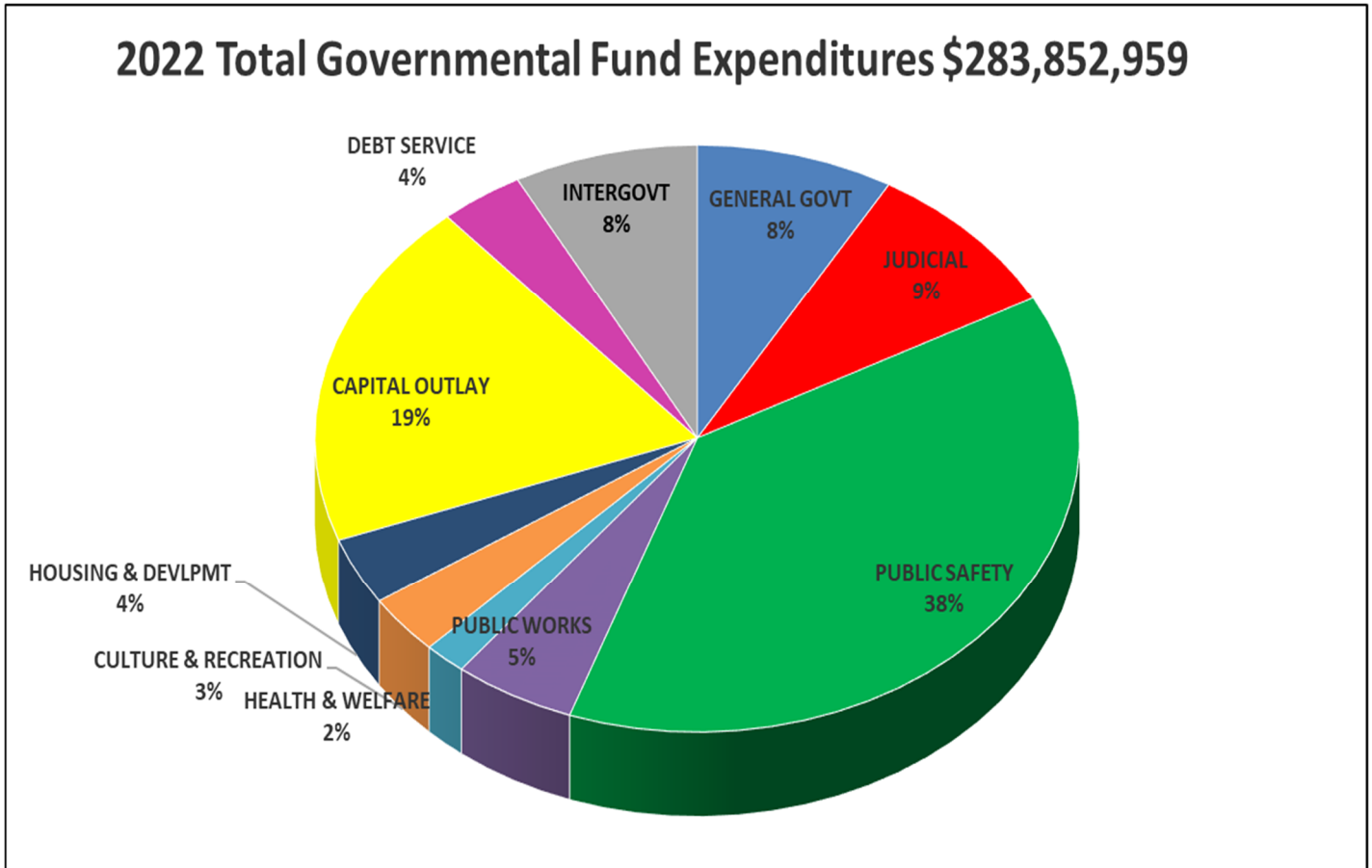


Total revenues increased \$44,651,792 from \$242,983,791 in FY2021 to \$287,635,583 in FY2022. There were several factors contributing to the increase:

- Several factors contributed to the increase in property taxes:
 - A 7.04% increase in the 2021 Tax Digest of which 3.24% was new growth.
 - There was an increase in TAVT receipts of \$1.2M (7.1%) and Real Estate Transfer \$.11M (8.12%) , whereas these were increases, they were much smaller than the previous year.
- Sales taxes increased \$7,135,738 (12.88%) from \$55,394,284 in 2021 to \$62,530,022 in 2022. 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 increased from \$19,778,145 in FY2021 to \$44,259,785 in FY2022. The increase of \$24,481,640 was largely attributable to the ARPA/CARES Act revenues realized in FY2022.
- The Insurance Premium tax increased from \$11,815,774 in FY2021 to \$13,789,717 in FY2022. This is a tax collected by the state on insurance policies, thus more homes in the county generate more revenue.
- Charges for Services increased \$2,955,738 from FY2021 due to a thriving economy and the subsiding pandemic precautions.
- Investment Income increased \$992,852 due to higher interest rates.

2. Expenditures

Governmental expenditures totaled \$283,852,959. Of this total, 38% was required to support public safety.



Governmental fund expenditures increased \$56,036,175 from FY2021 to FY2022, which was a 24.5% increase.

- General Government expenditures increased \$3,840,402 from FY2021 to FY2022. This increase included the 4% COLA that all employees received at the beginning of FY2022 and the 7% COLA give in July of FY2022 plus the resulting additional benefit costs.
- Judicial expenditures increased \$3,640,602 from FY2021 to FY2022. Salaries (4% COLA & 7% COLA) and benefits increased. The caseloads have grown resulting in higher operating costs.
- Public Safety expenditures increased \$13,521,236 from FY2021 to FY2022.
- Public Works expenditures increased \$2,597,066 from FY2021 to FY2022. The increase was due to the 4% & 7% COLAs and higher benefit costs.
- Capital Outlay expenditures increased by \$18,454,241 when comparing FY2021 to FY2022. Several new projects were under construction during FY2022, including the W.B Ahrens Recreation Center, two replacement fire stations, and a new Public Works facility. Road projects, which had been slow due to labor and material shortages in FY2021, began to ramp up in FY2022.

- Debt Service increased \$2,588,245 in FY2022. The RRDA bonds were retired during FY2022.
- Intergovernmental Costs increased \$5,865,988 from FY2021 to FY2022. A couple of items contributed to this increase: Higher SPLOST payments to the cities, which were the result of increased SPLOST revenue in FY2022 and a \$4.2M payment to the Development Authority for the purchase of land.

3. Fund Balance

The General Fund balance increased by \$14,216,226 and the SPLOST Fund balance decreased by \$18,749,465, the total of Cherokee County’s governmental funds reported combined ending fund balances of \$126,222,848, a net decrease of \$1,521,060 from the prior year. The General Fund had increases in most revenue areas, but especially in taxes. Taxes in the General Fund increased \$6,693,671. The General Fund received a \$10M transfer from the ARPA for loss of revenue during the pandemic.

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 \$66,683,909 of which \$66,584,346, or 99.9%, represents the *unassigned* portion. As a measure of the General Fund’s liquidity, it is useful to compare the unassigned fund balance to total funding uses; the unassigned fund balance represents 54.8% of General Fund expenditures and transfers to other funds.

The total fund balance of the SPLOST Funds decreased \$18,749,465, from \$46,380,352 to \$27,630,887. The decrease was due to the onset of several large SPLOST projects.

The Fire District Fund is another major fund of the County and the main source of revenue is property taxes. At year-end, the total fund balance of this fund was \$11,604,553, which was \$969,182 higher than the FY2021 balance.

General Fund Budgetary Highlights

The original budget for the General Fund expenditures was \$112,349,061 but was amended by \$2,465,511 to \$114,814,572. Below are the budget amendments that account for this increase.

1. An additional \$493,081 for Increased Salaries, PR taxes, and Defined Benefits, which were due to 7% COLA instituted for retention of employees
2. An additional \$147,896 for the purchase of Sheriff’s office vehicles
3. An additional \$892,746 for Inmate Medical due to higher contract costs
4. An additional \$162,984 for Gasoline due to higher costs
5. An additional \$160,491 for Increase Employee Insurance cost
6. An additional \$111,010 for Indigent Defense due to increased number of cases
7. Various other expense items \$504,063

CAPITAL ASSET AND DEBT ANALYSIS

1. Capital Assets

As of September 30, 2022, Cherokee County's net investment in capital assets for its governmental activities totaled \$903,595,423. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges. The total of these capital assets increased \$6,536,209 or .073%, as compared to FY2021. Capital asset additions included:

- New Sheriff vehicles
- Machinery and Vehicles for Public Works and Parks
- Various road improvements
- Completion of the Hickory Flat Gym Improvements
- Land purchased for new Parks in Cherokee County
- Construction of new Recreation Center, replacement/expansion of several Fire Stations

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 \$41,720,000.

- This debt is supported by a separate bond millage rate of 0.354 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 \$41,720,000, we are significantly under the legal limit (less than 4% rather than 10%).

Cherokee County's long term bonded debt decreased \$8,465,000. Principal payments of \$5,175,000 for the Parks Bonds and \$3,290,000 for the RRDA bond were made in FY2022. The RRDA bonds were retired in FY2022. 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, 2022, the unemployment rate for Cherokee County was 2.4%, which was lower than the state rate of 2.8% and the national rate of 3.5%. Cherokee County was slightly up from its 1.7% rate last year ago, which can be attributed to a slight slowdown in the economy.
- 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 1641 new building permits issued in FY2022, 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 \$7,135,738 or 12.9% over FY2021

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, 2022

	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	\$ 62,715,738	\$ 3,669,468	\$ 66,385,206	\$ 5,985,311	\$ 2,511,640	\$ 1,632,084
Property taxes receivable	100,469,394	-	100,469,394	-	-	-
Accounts receivable	17,344,412	663,380	18,007,792	99,102	131,885	116,118
Due from other governments	8,090,863	-	8,090,863	1,678,335	-	44,344
Inventory	467,840	-	467,840	-	-	-
Prepaid items	130,562	-	130,562	52,439	27,323	52,909
Lease receivable	-	-	-	-	-	262,900
Restricted cash and cash equivalents	103,406,930	-	103,406,930	-	-	3,705,995
Other assets	-	-	-	20,450	-	-
Net OPEB asset	-	-	-	1,568,170	-	-
Capital assets, non-depreciable	368,649,661	-	368,649,661	-	12,993,207	4,026,685
Capital assets, depreciable (net of accumulated depreciation)	587,062,025	5,361,860	592,423,885	264,422	379,068	4,155,285
Total assets	1,248,337,425	9,694,708	1,258,032,133	9,668,229	16,043,123	13,996,320
Deferred Outflows of Resources						
Deferred outflows relating to pension	33,969,121	2,369,827	36,338,948	3,435,227	-	1,016,566
Deferred outflows relating to OPEB	7,033,661	573,931	7,607,592	805,040	-	832,245
Total Deferred Outflows of Resources	41,002,782	2,943,758	43,946,540	4,240,267	-	1,848,811
Liabilities						
Accounts payable	17,041,407	114,880	17,156,287	239,452	-	299,787
Accrued liabilities	6,681,054	368,790	7,049,844	147,394	10,811	70,343
Due to other governments	-	-	-	61,149	-	-
Unearned revenue	34,238,822	-	34,238,822	-	-	-
Noncurrent liabilities						
Due within one year						
Long-term obligations	13,412,298	368,122	13,780,420	403,512	-	14,730
Due in more than one year						
Long-term obligations	53,469,131	858,952	54,328,083	269,008	-	58,918
Net pension liability	66,125,536	4,613,193	70,738,729	5,735,764	-	1,334,698
Net OPEB liability	-	-	-	620,874	-	2,508,528
Total OPEB liability	11,284,965	920,828	12,205,793	-	-	-
Total Liabilities	202,253,213	7,244,765	209,497,978	7,477,153	10,811	4,287,004
Deferred Inflows of Resources						
Deferred inflows relating to leases	-	-	-	-	-	262,900
Deferred revenue-property taxes	107,715,164	-	107,715,164	-	-	-
Deferred inflows relating to pension	15,029,052	1,048,489	16,077,541	5,301,209	-	2,035,436
Deferred inflows relating to OPEB	7,408,186	604,491	8,012,677	3,014,536	-	1,520,775
Total Deferred Inflows of Resources	130,152,402	1,652,980	131,805,382	8,315,745	-	3,819,111
Net Position						
Net investment in capital assets	903,595,423	5,315,897	908,911,320	264,422	13,372,275	8,181,970
Restricted for:						
Law library operations	431,350	-	431,350	-	-	22,504
Senior services	340,928	-	340,928	-	-	-
Public safety	458,526	-	458,526	-	-	-
Court services	1,222,905	-	1,222,905	-	-	-
SPLOST projects	35,956,753	-	35,956,753	-	-	1,673,315
System improvements	-	-	-	-	-	952,023
Expendable endowments	-	-	-	-	-	1,810
Nonexpendable permanent endowments	-	-	-	-	-	875,986
Grant activities	306,983	-	306,983	-	-	-
Jail operation and construction	387,447	-	387,447	-	-	-
E911 operations	4,082,150	-	4,082,150	-	-	-
Health and welfare	736,988	-	736,988	-	-	-
Debt service	-	-	-	-	-	-
Impact fees	10,625,966	-	10,625,966	-	-	-
Fire protection services	11,812,888	-	11,812,888	-	-	-
Public health programs	-	-	-	3,633,377	-	-
Unrestricted (deficit)	(13,023,715)	(1,575,176)	(14,598,891)	(5,782,201)	2,660,037	(3,968,592)
Total Net Position	\$ 956,934,592	\$ 3,740,721	\$ 960,675,313	\$ (1,884,402)	\$ 16,032,312	\$ 7,739,016

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Activities
For the Year Ended September 30, 2022

Function/Program	Expenses	Program Revenues			Revenue and Changes in Net Position			Net (Expense)		
		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	\$ 21,915,246	\$ 10,072,262	\$ 6,133,337	\$ -	\$ (5,709,647)	\$ -	\$ (5,709,647)			
Judicial	25,615,160	7,063,720	1,679,391	-	(16,872,049)	-	(16,872,049)			
Public safety	117,968,861	7,916,061	25,508,528	-	(84,544,272)	-	(84,544,272)			
Public works	80,271,097	8,593,378	12,926	9,679,062	(61,985,731)	-	(61,985,731)			
Health and welfare	4,685,924	538,855	1,434,636	-	(2,712,433)	-	(2,712,433)			
Culture and recreation	13,201,458	2,936,966	199,667	-	(10,064,825)	-	(10,064,825)			
Housing and development	14,742,550	-	5,733,349	-	(9,009,201)	-	(9,009,201)			
Interest and fiscal charges	1,170,153	-	-	-	(1,170,153)	-	(1,170,153)			
Total Governmental Activities	279,570,449	37,121,242	40,701,834	9,679,062	(192,068,311)	-	(192,068,311)			
Business-type Activities										
Emergency medical services	12,159,301	6,002,024	-	-	-	(6,157,277)	(6,157,277)			
Conference center	509,824	315,784	-	-	-	(194,040)	(194,040)			
Total Business-type Activities	12,669,125	6,317,808	-	-	-	(6,351,317)	(6,351,317)			
Total Primary Government	\$ 292,239,574	\$ 43,439,050	\$ 40,701,834	\$ 9,679,062	(192,068,311)	(6,351,317)	(198,419,628)			
Component Unit										
Department of Public Health	\$ 19,999,789	\$ 4,214,655	\$ 19,144,074	\$ -				\$ 3,358,940	\$ -	\$ -
Development Authority of Cherokee County	1,814,632	450,412	5,632,427	-				-	4,268,207	-
Sequoyah Regional Library System	4,615,050	189,185	869,219	2,563,949				-	-	(992,697)
Total Component Units	\$ 26,429,471	\$ 4,854,252	\$ 25,645,720	\$ 2,563,949				3,358,940	4,268,207	(992,697)
General Revenues										
Property taxes					122,863,066	-	122,863,066	-	-	-
Alcoholic beverage taxes					1,259,662	-	1,259,662	-	-	-
Franchise taxes					2,405,668	-	2,405,668	-	-	-
Sales taxes					62,530,022	-	62,530,022	-	-	-
Insurance premium taxes					13,789,717	-	13,789,717	-	-	-
Other taxes					568,709	-	568,709	-	-	-
Miscellaneous					1,474,279	-	1,474,279	-	-	3,556,361
Unrestricted investment earnings					851,279	-	851,279	54	5,425	4,190
Transfers					(9,189,915)	9,189,915	-	-	-	-
Total General Revenues and Transfers					196,552,487	9,189,915	205,742,402	54	5,425	3,560,551
Change in Net Position					4,484,176	2,838,598	7,322,774	3,358,994	4,273,632	2,567,854
Net Position Beginning of Year					952,450,416	902,123	953,352,539	(5,243,396)	11,758,680	5,171,162
Net Position End of Year					\$ 956,934,592	\$ 3,740,721	\$ 960,675,313	\$ (1,884,402)	\$ 16,032,312	\$ 7,739,016

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Balance Sheet
Governmental Funds
September 30, 2022

	<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	\$ 60,402,075	\$ 15,308,058	\$ 28,925,781	\$ 37,891,630	\$ 23,504,473	\$ 166,032,017
Property taxes receivable, net	64,195,244	30,700,101	-	-	5,574,049	100,469,394
Accounts receivable, net	15,653,683	2,274	-	-	438,527	16,094,484
Due from other governments	213,498	-	-	5,203,307	2,674,058	8,090,863
Due from other funds	1,103,036	-	-	-	-	1,103,036
Inventory	12,077	384,399	-	-	-	396,476
Prepaid items	87,486	42,576	-	-	500	130,562
Total assets	<u>\$ 141,667,099</u>	<u>\$ 46,437,408</u>	<u>\$ 28,925,781</u>	<u>\$ 43,094,937</u>	<u>\$ 32,191,607</u>	<u>\$ 292,316,832</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 1,245,871	\$ 541,901	\$ 824,140	\$ 13,124,667	\$ 1,163,887	\$ 16,900,466
Accrued liabilities	4,791,751	1,212,311	44,769	119,312	462,737	6,630,880
Due to other funds	-	-	-	-	300,446	300,446
Unearned revenue	-	-	28,056,872	2,220,071	3,961,879	34,238,822
Total liabilities	<u>6,037,622</u>	<u>1,754,212</u>	<u>28,925,781</u>	<u>15,464,050</u>	<u>5,888,949</u>	<u>58,070,614</u>
Deferred Inflows of Resources						
Unavailable revenue-property taxes	68,945,568	33,078,643	-	-	5,999,159	108,023,370
Total deferred inflows of resources	<u>68,945,568</u>	<u>33,078,643</u>	<u>-</u>	<u>-</u>	<u>5,999,159</u>	<u>108,023,370</u>
Fund Balances						
Nonspendable:						
Prepaid items	87,486	42,576	-	-	500	130,562
Inventory	12,077	384,399	-	-	-	396,476
Restricted:						
Law library operations	-	-	-	-	431,350	431,350
Senior services	-	-	-	-	340,928	340,928
Public safety	-	-	-	-	458,526	458,526
Court services	-	-	-	-	1,222,905	1,222,905
SPLOST projects	-	-	-	27,630,887	-	27,630,887
Grant activities	-	-	-	-	290,514	290,514
Jail operation and construction	-	-	-	-	387,447	387,447
E911 operations	-	-	-	-	4,082,150	4,082,150
Health and welfare	-	-	-	-	736,988	736,988
Impact fees	-	-	-	-	10,625,966	10,625,966
Fire protection services	-	11,177,578	-	-	-	11,177,578
Committed						
Jail and inmate services	-	-	-	-	537,228	537,228
Park and recreation activities	-	-	-	-	1,286,481	1,286,481
Unassigned	66,584,346	-	-	-	(97,484)	66,486,862
Total fund balances	<u>66,683,909</u>	<u>11,604,553</u>	<u>-</u>	<u>27,630,887</u>	<u>20,303,499</u>	<u>126,222,848</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 141,667,099</u>	<u>\$ 46,437,408</u>	<u>\$ 28,925,781</u>	<u>\$ 43,094,937</u>	<u>\$ 32,191,607</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.	954,551,305
Other long-term assets are not available to pay for current period expenditures, and therefore, are unavailable in the funds.	308,206
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.	(66,810,588)
Net pension liability, along with related amounts, is not due and payable in the current period and therefore not reported in the funds.	(46,830,166)
Total OPEB liability, along with related amounts, is not due and payable in the current period and therefore not reported in the funds.	(11,659,490)
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.	1,152,477
Net position of governmental activities	<u>\$ 956,934,592</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, 2022

	General Fund	Fire District Fund	ARPA Grant Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 85,418,965	\$ 31,490,213	\$ -	\$ -	\$ 6,235,764	\$ 123,144,942
Alcoholic beverage taxes	-	-	-	-	1,259,662	1,259,662
Franchise taxes	2,405,668	-	-	-	-	2,405,668
Insurance premium taxes	13,789,717	-	-	-	-	13,789,717
Sales taxes	-	-	-	62,530,022	-	62,530,022
Other taxes	-	-	-	-	568,709	568,709
Licenses and permits	3,850,361	-	-	-	-	3,850,361
Intergovernmental	422,341	8,597,712	20,286,799	3,660,279	11,292,654	44,259,785
Fines and forfeitures	5,203,236	-	-	-	1,310,409	6,513,645
Charges for services	12,202,383	102,714	-	-	14,179,053	26,484,150
Investment earnings	683,299	96,918	-	258,983	71,062	1,110,262
Contributions and donations	-	7,000	-	-	149,475	156,475
Miscellaneous	946,033	1,500	-	219,957	394,695	1,562,185
Total revenues	124,922,003	40,296,057	20,286,799	66,669,241	35,461,483	287,635,583
Expenditures						
Current:						
General government	17,876,583	-	5,426,427	33,046	375,285	23,711,341
Judicial	20,762,156	-	844,229	1,127	3,153,623	24,761,135
Public safety	56,400,070	39,190,330	3,638,018	1,117,819	8,467,690	108,813,927
Public works	6,280,445	-	8	8,340,442	14,850	14,635,745
Health and welfare	700,113	-	378,090	-	3,994,259	5,072,462
Culture and recreation	2,974,825	-	27	146,678	6,142,350	9,263,880
Housing and development	4,847,723	-	-	-	5,715,415	10,563,138
Intergovernmental	-	-	-	22,136,432	-	22,136,432
Capital Outlay	-	-	-	54,788,034	-	54,788,034
Debt Service						
Principal	335,365	10,489	-	43,508	8,501,163	8,890,525
Interest	12,942	290	-	7,426	1,195,682	1,216,340
Total expenditures	110,190,222	39,201,109	10,286,799	86,614,512	37,560,317	283,852,959
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,731,781	1,094,948	10,000,000	(19,945,271)	(2,098,834)	3,782,624
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	30,400	2,628	-	195,675	7,200	235,903
Issuance of debt	208,244	-	-	-	23,988	232,232
Insurance reimbursement	177,861	22,961	-	131	-	200,953
Transfers in	10,301,355	-	-	1,000,000	5,895,926	17,197,281
Transfers out	(11,233,415)	(151,355)	(10,000,000)	-	(1,785,283)	(23,170,053)
Total other financing sources (uses)	(515,555)	(125,766)	(10,000,000)	1,195,806	4,141,831	(5,303,684)
Net Change in Fund Balances	14,216,226	969,182	-	(18,749,465)	2,042,997	(1,521,060)
Fund Balances Beginning of Year	52,467,683	10,635,371	-	46,380,352	18,260,502	127,743,908
Fund Balances End of Year	\$ 66,683,909	\$ 11,604,553	\$ -	\$ 27,630,887	\$ 20,303,499	\$ 126,222,848

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, 2022

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

Net changes in fund balances - total governmental funds \$ (1,521,060)

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. 453,190

The net effect of various miscellaneous transactions involving capital assets (i.e. donations, sales and trade-ins) is to increase net position. 2,054,547

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (38,068)

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	8,465,000
Principal payments on financed purchases	425,525
Debt issued	(232,232)

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. (5,298,393)

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. 175,667

Change in net position of governmental activities **\$ 4,484,176**

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Net Position
Proprietary Funds
September 30, 2022

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets				
Current assets				
Cash	\$ 2,630,045	\$ 1,039,423	\$ 3,669,468	\$ 90,651
Receivables, net of allowance	645,718	17,662	663,380	1,249,928
Inventories	-	-	-	71,364
Total current assets	<u>3,275,763</u>	<u>1,057,085</u>	<u>4,332,848</u>	<u>1,411,943</u>
Noncurrent assets				
Capital assets, net of depreciation	5,354,182	7,678	5,361,860	1,160,381
Total noncurrent assets	<u>5,354,182</u>	<u>7,678</u>	<u>5,361,860</u>	<u>1,160,381</u>
Total Assets	<u>8,629,945</u>	<u>1,064,763</u>	<u>9,694,708</u>	<u>2,572,324</u>
Deferred Outflows of Resources				
Deferred outflows relating to pension	2,369,827	-	2,369,827	255,783
Deferred outflows relating to OPEB	573,931	-	573,931	-
Total Deferred Outflows of Resources	<u>2,943,758</u>	<u>-</u>	<u>2,943,758</u>	<u>255,783</u>
Liabilities				
Current liabilities				
Accounts payable	87,211	27,669	114,880	140,941
Accrued liabilities	337,025	31,765	368,790	50,174
Due to other funds	-	-	-	802,590
Compensated absences, due within one year	368,122	-	368,122	21,252
Total current liabilities	<u>792,358</u>	<u>59,434</u>	<u>851,792</u>	<u>1,014,957</u>
Long-term Liabilities (net of current portion)				
Compensated absences, due in more than one year	858,952	-	858,952	49,589
Net pension liability	4,613,193	-	4,613,193	497,917
Total OPEB liability	920,828	-	920,828	-
Total long-term liabilities	<u>6,392,973</u>	<u>-</u>	<u>6,392,973</u>	<u>547,506</u>
Total Liabilities	<u>7,185,331</u>	<u>59,434</u>	<u>7,244,765</u>	<u>1,562,463</u>
Deferred Inflows of Resources				
Deferred inflows relating to pension	1,048,489	-	1,048,489	113,167
Deferred inflows relating to OPEB	604,491	-	604,491	-
Total Deferred Inflows of Resources	<u>1,652,980</u>	<u>-</u>	<u>1,652,980</u>	<u>113,167</u>
Net Position				
Investment in capital assets	5,308,219	7,678	5,315,897	1,160,381
Unrestricted (deficit)	<u>(2,572,827)</u>	<u>997,651</u>	<u>(1,575,176)</u>	<u>(7,904)</u>
Total Net Position	<u>\$ 2,735,392</u>	<u>\$ 1,005,329</u>	<u>\$ 3,740,721</u>	<u>\$ 1,152,477</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, 2022

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
Operating Revenues				
Charges for services	\$ 5,976,869	\$ 315,660	\$ 6,292,529	\$ 26,208,561
Miscellaneous revenue	-	124	124	1,865,477
Intergovernmental revenue	25,155	-	25,155	-
Total operating revenues	<u>6,002,024</u>	<u>315,784</u>	<u>6,317,808</u>	<u>28,074,038</u>
Operating Expenses				
Personal services	9,626,416	-	9,626,416	1,239,550
Contractual services	821,711	421,212	1,242,923	2,626,135
Claims paid	-	-	-	22,623,324
Supplies	852,372	75,268	927,640	1,366,663
Depreciation	355,580	13,344	368,924	42,699
Total operating expenses	<u>11,656,079</u>	<u>509,824</u>	<u>12,165,903</u>	<u>27,898,371</u>
Operating income (loss)	(5,654,055)	(194,040)	(5,848,095)	175,667
Nonoperating Revenue				
Loss on sale of capital assets	(503,222)	-	(503,222)	-
Total nonoperating revenue	<u>(503,222)</u>	<u>-</u>	<u>(503,222)</u>	<u>-</u>
Change in net position before transfers and capital contributions	<u>(6,157,277)</u>	<u>(194,040)</u>	<u>(6,351,317)</u>	<u>175,667</u>
Capital contributions	<u>3,217,143</u>	<u>-</u>	<u>3,217,143</u>	<u>-</u>
Transfers				
Transfers in	5,469,063	503,709	5,972,772	-
Total transfers	<u>5,469,063</u>	<u>503,709</u>	<u>5,972,772</u>	<u>-</u>
Change in net position	<u>2,528,929</u>	<u>309,669</u>	<u>2,838,598</u>	<u>175,667</u>
Net Position Beginning of Year	<u>206,463</u>	<u>695,660</u>	<u>902,123</u>	<u>976,810</u>
Net Position End of Year	<u>\$ 2,735,392</u>	<u>\$ 1,005,329</u>	<u>\$ 3,740,721</u>	<u>\$ 1,152,477</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2022

	<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	\$ 5,904,556	\$ 300,105	\$ 6,204,661	\$ -
Receipts from other funds	25,155	-	25,155	27,686,589
Payments to employees	(9,080,028)	-	(9,080,028)	(1,212,114)
Payments to suppliers for services provided	(1,590,544)	(453,768)	(2,044,312)	(26,383,824)
Net Cash Provided by (Used in) Operating Activities	<u>(4,740,861)</u>	<u>(153,663)</u>	<u>(4,894,524)</u>	<u>90,651</u>
Cash Flows from Capital Financing Activities				
Proceeds from sale of capital assets	51,550	-	51,550	-
Purchase of capital assets	(83,463)	-	(83,463)	-
Net Cash Provided by (Used in) Capital Financing Activities	<u>(31,913)</u>	<u>-</u>	<u>(31,913)</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities				
Transfers in	5,469,063	503,709	5,972,772	-
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>5,469,063</u>	<u>503,709</u>	<u>5,972,772</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	696,289	350,046	1,046,335	90,651
Cash and Cash Equivalents Beginning of Year	<u>1,933,756</u>	<u>689,377</u>	<u>2,623,133</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u>\$ 2,630,045</u>	<u>\$ 1,039,423</u>	<u>\$ 3,669,468</u>	<u>\$ 90,651</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (5,654,055)	\$ (194,040)	\$ (5,848,095)	\$ 175,667
Adjustments -				
Depreciation	355,580	13,344	368,924	42,699
(Increase) Decrease in:				
Accounts receivable	(72,313)	(15,679)	(87,992)	687,029
Prepaid items	18,825	48	18,873	1,847
Inventories	-	-	-	148,112
Deferred outflows of resources	295,558	-	295,558	24,085
Increase (Decrease) in:				
Accounts payable	12,777	21,609	34,386	70,988
Accrued expenses	51,937	21,055	72,992	11,351
Due to other funds	-	-	-	(1,074,478)
Compensated absences payable	200,903	-	200,903	13,335
Net pension liability	(415,375)	-	(415,375)	(52,071)
Total OPEB liability	(103,575)	-	(103,575)	-
Deferred inflows of resources	568,877	-	568,877	42,087
Net Cash Provided by (Used in) Operating Activities	<u>\$ (4,740,861)</u>	<u>\$ (153,663)</u>	<u>\$ (4,894,524)</u>	<u>\$ 90,651</u>
Schedule of noncash capital and related financing activities				
Contribution of capital assets	<u>\$ 3,217,143</u>	<u>\$ -</u>	<u>\$ 3,217,143</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

Cherokee County, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2022

	Custodial Funds
Assets	
Cash	\$ 26,444,787
Taxes and other receivables	336,830,800
Total assets	363,275,587
Liabilities	
Due to others	17,443,922
Uncollected taxes	336,830,800
Total liabilities	354,274,722
Net Position	
Restricted	
Individuals, organizations and other governments	9,000,865
Total net position	\$ 9,000,865

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, 2022

	Custodial Funds
Additions	
Taxes collected for other governments	\$ 321,098,589
Fines collected for other governments	36,239,282
Total additions	357,337,871
Deductions	
Payment of taxes to other governments	321,098,589
Payment of fines to other governments	35,499,941
Total deductions	356,598,530
Change in net position	739,341
Net Position Beginning of Year	8,261,524
Net Position End of Year	\$ 9,000,865

See accompanying notes to the basic financial statements

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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, 2022 the Library received \$3,082,323 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, 2022

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 \$301,296 to the ARC for the year ended September 30, 2022. 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, 2022

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, 2022

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, 2022

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, 2022, the County’s investment in Georgia 1 was rated AA+ by Standard & Poor’s. Funds included in this Pool are not required to be collateralized.

E. Interfund Receivables and Payables

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

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

F. Inventories and Prepaid Items

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

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Payments to vendors for services that will benefit periods beyond September 30, 2022, are recorded as prepaid items. Prepaid items reported in the governmental funds are also equally offset by a nonspendable fund balance category, which indicates that they do not constitute “available, spendable financial resources” even though they are a component of net current assets. The consumption method is used to account for prepaid items within the County’s funds.

G. Capital Assets

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

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

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

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

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

H. Deferred Outflows/ Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets 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 assets 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, 2022

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, 2022

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, 2022**

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:	\$ (41,720,000)
Add: Original issue premium	(298,247)
Financed purchase	(581,740)
Claims payable	(1,258,152)
Landfill postclosure costs	(3,280,070)
Compensated absences	<u>(19,672,379)</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ (66,810,588)</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	\$ 5,483,612
Transfer of capital assets to business type activities	(3,217,143)
Disposal of capital assets	<u>(211,922)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net position-governmental activities	<u>\$ 2,054,547</u>

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*

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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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	\$ 60,037,053
Depreciation expense	<u>(59,583,863)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 453,190</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	\$ (3,077,411)
Insurance claims	313,827
Amortization expense	(16,532)
Pension expense	(1,713,648)
OPEB expense	(1,247,333)
Landfill monitoring costs	379,380
Interest expense	<u>63,324</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (5,298,393)</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, 2022, the County had the following investments:

Investment	Maturity	Amount
Georgia Fund 1	33 day WAM	<u>\$ 21,832,527</u>
		<u>\$ 21,832,527</u>

The County reports its investments in Georgia Fund 1 as cash equivalents in the financial statements as of September 30, 2022.

CHEROKEE COUNTY, GEORGIA
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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, 2022, the County was not exposed to custodial credit risk.

NOTE 4. RECEIVABLES

Receivables at September 30, 2022, 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	\$ 64,570,029	\$ 30,880,112	\$ 5,606,835
Accounts	15,695,351	2,274	438,527
Gross receivables	<u>80,265,380</u>	<u>30,882,386</u>	<u>6,045,362</u>
Less allowance for uncollectibles	416,453	180,011	32,786
Net receivables	<u>\$ 79,848,927</u>	<u>\$ 30,702,375</u>	<u>\$ 6,012,576</u>
		Non-major Conference Center	Internal Service Funds
	EMS	<u> </u>	<u> </u>
Receivables:			
Accounts	\$ 26,030,787	\$ 17,662	\$ 1,249,928
Less allowance for uncollectibles	25,385,069	-	-
Net total receivables	<u>\$ 645,718</u>	<u>\$ 17,662</u>	<u>\$ 1,249,928</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	\$ 299,992,976	\$ 5,796,561	\$ 677,937	\$ (9,000)	\$ 306,458,474
Construction in progress	31,204,148	43,607,125	(12,620,086)	-	62,191,187
Total	<u>331,197,124</u>	<u>49,403,686</u>	<u>(11,942,149)</u>	<u>(9,000)</u>	<u>368,649,661</u>
Capital assets, being depreciated:					
Buildings and improvements	251,165,732	63,459	3,569,199	(179,710)	254,618,680
Machinery and equipment	25,521,215	6,468,733	9,935,728	(352,820)	41,572,856
Vehicles	40,228,243	4,769,988	(2,166,523)	(718,542)	42,113,166
Infrastructure	1,125,089,160	4,814,799	(2,613,398)	-	1,127,290,561
Total	<u>1,442,004,350</u>	<u>16,116,979</u>	<u>8,725,006</u>	<u>(1,251,072)</u>	<u>1,465,595,263</u>
Less accumulated depreciation for:					
Buildings and improvements	73,246,644	8,728,846	-	(300)	81,975,190
Machinery and equipment	21,802,660	3,781,686	-	(352,821)	25,231,525
Vehicles	24,642,920	3,019,843	-	(695,029)	26,967,734
Infrastructure	700,262,602	44,096,187	-	-	744,358,789
Total	<u>819,954,826</u>	<u>59,626,562</u>	<u>-</u>	<u>(1,048,150)</u>	<u>878,533,238</u>
Total capital assets, being depreciated, net	<u>622,049,524</u>	<u>(43,509,583)</u>	<u>8,725,006</u>	<u>(202,922)</u>	<u>587,062,025</u>
Governmental activities capital assets, net	<u>\$ 953,246,648</u>	<u>\$ 5,894,103</u>	<u>\$ (3,217,143)</u>	<u>\$ (211,922)</u>	<u>\$ 955,711,686</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 \$658,451 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, 2022

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Business-type activities:					
Capital assets, being depreciated:					
Machinery and equipment	\$ 5,656,749	\$ 83,463	\$ 3,217,143	\$ (1,149,562)	\$ 7,807,793
Less accumulated depreciation for:					
Machinery and equipment	2,671,799	368,924	-	(594,790)	2,445,933
Total depreciable capital assets, net	2,984,950	(285,461)	3,217,143	(554,772)	5,361,860
Business-type activities capital assets, net	<u>\$ 2,984,950</u>	<u>\$ (285,461)</u>	<u>\$ 3,217,143</u>	<u>\$ (554,772)</u>	<u>\$ 5,361,860</u>

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

Governmental activities:	
General government	\$ 896,783
Judicial	464,280
Public safety	9,421,249
Public works	44,567,898
Health and welfare	351,977
Culture and recreation	3,765,060
Housing and development	116,616
Fleet services	42,699
Total depreciation expense- governmental activities	<u>\$ 59,626,562</u>
Business-type activities:	
Emergency Medical Services Fund	\$ 355,580
Conference Center Fund	13,344
	<u>\$ 368,924</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	\$ 368,649,661	\$ -	\$ 368,649,661
Capital assets, depreciable, net	587,062,025	5,361,860	592,423,885
Bonds payable	(42,018,247)	-	(42,018,247)
Financed purchase	(581,740)	-	(581,740)
Retainage and accounts payable	(9,516,276)	(45,963)	(9,562,239)
Net investment in capital assets	<u>\$ 903,595,423</u>	<u>\$ 5,315,897</u>	<u>\$ 908,911,320</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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B. Discretely Presented Component Unit- Development Authority of Cherokee County

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 7,225,408	\$ 4,282,591	\$ -	\$ 11,507,999
Construction in progress	1,485,208	-	-	1,485,208
Total capital assets, not being depreciated	<u>8,710,616</u>	<u>4,282,591</u>	<u>-</u>	<u>12,993,207</u>
Capital assets, being depreciated				
Machinery and equipment	1,150,095	-	-	1,150,095
Less accumulated depreciation for:				
Machinery and equipment	657,907	113,120	-	771,027
Total capital assets, being depreciated, net	<u>492,188</u>	<u>(113,120)</u>	<u>-</u>	<u>379,068</u>
Total capital assets, net	<u>\$ 9,202,804</u>	<u>\$ 4,169,471</u>	<u>\$ -</u>	<u>\$ 13,372,275</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, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Debt:					
Bonds payable	\$ 50,185,000	\$ -	\$ (8,465,000)	\$ 41,720,000	\$ 5,350,000
Less: discounts	(98,179)	-	98,179	-	-
Add: premiums	379,894	-	(81,647)	298,247	-
Bonds payable, net	<u>50,466,715</u>	<u>-</u>	<u>(8,448,468)</u>	<u>42,018,247</u>	<u>5,350,000</u>
Financed purchase	775,033	232,232	(425,525)	581,740	268,004
Total debt	<u>51,241,748</u>	<u>232,232</u>	<u>(8,873,993)</u>	<u>42,599,987</u>	<u>5,618,004</u>
Other long-term obligations:					
Claims payable	1,571,979	215,342	(529,169)	1,258,152	943,614
Compensated absences	16,652,474	5,904,019	(2,813,273)	19,743,220	5,922,966
Landfill postclosure	3,659,450	-	(379,380)	3,280,070	927,714
Total other long-term obligations	<u>21,883,903</u>	<u>6,119,361</u>	<u>(3,721,822)</u>	<u>24,281,442</u>	<u>7,794,294</u>
Governmental activities					
Long-term liabilities	<u>\$ 73,125,651</u>	<u>\$ 6,351,593</u>	<u>\$ (12,595,815)</u>	<u>\$ 66,881,429</u>	<u>\$ 13,412,298</u>
Business-type activities:					
Other long-term obligations:					
Compensated absences	\$ 1,026,171	\$ 438,596	\$ (237,693)	\$ 1,227,074	\$ 368,122
Business-type activities					
Long-term liabilities	<u>\$ 1,026,171</u>	<u>\$ 438,596</u>	<u>\$ (237,693)</u>	<u>\$ 1,227,074</u>	<u>\$ 368,122</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
NOTES TO FINANCIAL STATEMENTS
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Bonds payable (Direct Borrowing/Placements). The County has general obligation bonds payable outstanding at September 30, 2022, which includes the following individual issues:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Recovery zone economic development bond-2010	4.52%	15 years	2025	\$ 10,767,000	\$ 4,017,000
Recreation bond- 2012	1.90%	15 years	2026	11,410,000	2,420,000
Recreation bond- 2014	2.84%	15 years	2029	22,823,000	15,868,000
Refunding bond- 2016	1.67%	14 years	2029	28,450,000	19,415,000
				Plus unamortized premium	<u>298,247</u>
					\$ 42,018,247
				Less current maturities	<u>5,350,000</u>
					<u>\$ 36,668,247</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 \$18,970,000 at September 30, 2022.

The 2009, 2010, 2012, and 2014 bond series were issued to assist with the financing of the purchase, construction and improvement of parks, recreational land, facilities and equipment, including green space.

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

Fiscal Year Ending September 30,	Principal	Interest
2023	\$ 5,350,000	\$ 932,756
2024	5,540,000	790,321
2025	5,730,000	640,802
2026	5,935,000	503,825
2027	6,150,000	372,745
2028-2029	<u>13,015,000</u>	<u>305,070</u>
	<u>\$ 41,720,000</u>	<u>\$ 3,545,519</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Financed Purchase (Direct Borrowing/Placements). Various leases for financing vehicles were entered into by the County. The leases expire beginning fiscal year 2026 through 2027. The gross amount of Governmental Activities assets on the balance sheet recorded under leases is \$2,880,703 and accumulated depreciation is \$2,340,615. Amortization expense of the assets recorded under the leases is included in depreciation expense. The debt service requirements on these leases are as follows:

Fiscal Year Ending September 30,	Principal	Interest
2023	\$ 268,004	\$ 24,550
2024	144,760	11,139
2025	56,955	5,782
2026	49,793	2,995
2027	62,228	752
	\$ 581,740	\$ 45,218

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 \$3,280,070 over the next 5 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, 2022. 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, 2022, that amount was \$1,629,216,988. As of September 30, 2022, the total outstanding debt applicable to the limit was \$42,018,247.

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, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 612,624	\$ 367,574	\$ 307,678	\$ 672,520	\$ 403,512
Total long-term obligations	\$ 612,624	\$ 367,574	\$ 307,678	\$ 672,520	\$ 403,512

CHEROKEE COUNTY, GEORGIA
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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, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 71,069	\$ 160,079	\$ 157,500	\$ 73,648	\$ 14,730
Total long-term obligations	<u>\$ 71,069</u>	<u>\$ 160,079</u>	<u>\$ 157,500</u>	<u>\$ 73,648</u>	<u>\$ 14,730</u>

NOTE 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2022, is as follows:

Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental funds	\$ 300,446
General fund	Internal Service Funds	802,590
		<u>\$ 1,103,036</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, 2022 are as follows:

Transfer In Fund	Transfer Out Fund	Amount
General fund	Nonmajor governmental funds	\$ 150,000
General fund	ARPA grant fund	10,000,000
General fund	Fire District fund	151,355
		<u>10,301,355</u>
Nonmajor governmental funds	General fund	5,764,352
Nonmajor governmental funds	Nonmajor governmental funds	131,574
		<u>5,895,926</u>
SPLOST fund	Nonmajor governmental funds	1,000,000
		<u>1,000,000</u>
EMS fund	General fund	5,469,063
		<u>5,469,063</u>
Nonmajor proprietary funds	Nonmajor governmental funds	503,709
		<u>503,709</u>
		<u>\$ 23,170,053</u>

CHEROKEE COUNTY, GEORGIA
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Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The majority of the County’s transfer activity is to fund ongoing and planned capital projects. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

NOTE 8. DEFINED BENEFIT PENSION PLAN

Plan Description. The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Cherokee County Defined Benefit Plan (the Plan), covering substantially all of the County’s employees. The County’s pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by the GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Plan benefits are provided for Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. Plan benefits are provided for Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership. As of January 1, 2022 pension plan membership consisted of the following:

Retirees, Beneficiaries, and Disables receiving benefits	495
Terminated plan participants entitled to but not yet receiving benefits	1,138
Active employees participating in the Plan	1,640
Total number of Plan participants	3,273

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, 2022, the County’s contribution rate was 17.30% of annual payroll. County contributions to the Plan were \$14,887,811 for the year ended September 30, 2022.

CHEROKEE COUNTY, GEORGIA
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Net Pension Liability of the County. The County’s net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2021 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2021.

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:

Inflation	2.00%
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 2021.

The actuarial assumptions used in the January 1, 2022 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, 2021 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.

CHEROKEE COUNTY, GEORGIA
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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, 2022 were as follows:

	Total Pension Liability (a)	Net Fiduciary Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2020	\$ 209,427,702	\$ 131,124,986	\$ 78,302,716
Changes for the year:			
Service cost	6,928,153	-	6,928,153
Interest	14,340,721	-	14,340,721
Contributions - employer	-	13,918,178	(13,918,178)
Contributions - employee	-	5,216,437	(5,216,437)
Net investment income	-	21,170,011	(21,170,011)
Benefit payments, including refunds of employee contributions	(9,120,501)	(9,120,501)	-
Administrative expense	-	(289,272)	289,272
Changes in assumptions	339,699	-	339,699
Differences in expected and actual experience	9,022,410	-	9,022,410
Plan change	1,003,346	-	1,003,346
Other changes	-	(817,038)	817,038
Net changes	<u>22,513,828</u>	<u>30,077,815</u>	<u>(7,563,987)</u>
Balances at December 31, 2021	<u>\$ 231,941,530</u>	<u>\$ 161,202,801</u>	<u>\$ 70,738,729</u>

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$ 104,957,222	\$ 70,738,729	\$ 42,678,730

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, 2021 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, 2022, the County recognized pension expense of \$16,790,798. At September 30, 2022, the County reported deferred outflows of resources related to pensions from the following sources:

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (16,077,541)
Differences between expected and actual experience	17,020,936	-
Assumption changes	8,375,264	-
Contributions made after the measurement date	10,942,748	-
Total	<u>\$ 36,338,948</u>	<u>\$ (16,077,541)</u>

The County's contributions subsequent to the measurement date of \$10,942,748 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, 2023. The other amount reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2023	\$ 8,352,550
2024	2,263,219
2025	(957,264)
2026	(339,846)
2027	-
	<u>\$ 9,318,659</u>

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, 2022, there were 281 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, 2022, the County's contribution to the Plan was \$40,605. 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, 2022

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. Plan members receiving benefits under the Cigna Plan contribute \$832.41 for retiree only and \$1,346.72 for retiree plus spouse, per month. Plan members receiving benefits under the Northside Plan contribute \$763.73 for retiree only and \$1,237.08 for retiree plus spouse, per month.

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, 2022.

Active employees	1,338
Retirees	<u>48</u>
Total number of Plan participants	<u><u>1,386</u></u>

Total OPEB Liability. The County’s total OPEB liability was determined by an actuarial valuation as of September 30, 2021 and rolled forward to the measurement date of September 30, 2022.

Actuarial assumptions. The total OPEB liability as of September 30, 2022 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	4.77%	
Healthcare cost trend rate	6.20%	
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 2022 are \$777.66 for the Retiree, and \$480.48 for spouse.

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

The discount rate was based on S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2022.

Mortality rates were based on the Pub-2010 GE (50%) & PS (50%), Amt-Weighted with Scale AA to 2022.

The actuarial assumptions used in the September 30, 2022 valuation were based on the results of February 2019 experience study.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at 9/30/2021	\$ 14,731,709
Changes for the year:	
Service cost	766,487
Interest	702,703
Differences between expected and actual experience	(692,726)
Changes of assumptions	(3,199,834)
Changes in benefit terms	-
Employer contributions	(102,546)
Net changes	(2,525,916)
Balances at 9/30/2022	\$ 12,205,793

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 (3.77%) or 1-percentage-point higher (5.77%) than the current discount rate:

	1% Decrease (3.77%)	Discount Rate (4.77%)	1% Increase (5.77%)
Total OPEB liability (asset)	\$ 13,480,239	\$ 12,205,793	\$ 11,066,506

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 (5.2%) or 1-percentage-point higher (7.2%) than the current healthcare cost trend rates:

	1% Decrease (5.2%)	Healthcare Cost Trend Rates (6.2%)	1% Increase (7.2%)
Total OPEB liability (asset)	\$ 10,724,039	\$ 12,205,793	\$ 13,977,183

CHEROKEE COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2022, the County recognized OPEB expense of \$1,420,579. At September 30, 2022, 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	\$ -	\$ 8,012,677
Changes of assumptions	7,607,592	-
Net difference between projected and Total	<u>\$ 7,607,592</u>	<u>\$ 8,012,677</u>

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,	
2023	\$ 53,935
2024	53,935
2025	43,643
2026	29,896
2027	50,162
Thereafter	(636,656)
	<u>\$ (405,085)</u>

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 Safety National. The County has a Self-Insured Retention (SIR) of \$750,000. Previously the County had a \$600,000 SIR. 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 0.73. 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, 2022**

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
2022	\$ 1,571,979	\$ 215,342	\$ 529,169	\$ 1,258,152
2021	1,039,102	1,222,100	689,223	1,571,979
2020	685,684	1,331,548	978,130	1,039,102

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at September 30, 2022, the County has contractual commitments on uncompleted contracts of \$19,464,895.

Litigation:

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Grant Contingencies:

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

NOTE 13. FUND BALANCE/NET POSITION DEFICITS

A fund balance deficit of \$42,383 and \$55,101 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, 2022, the County spent \$568,709 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, 2022

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 2022, 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 \$324,854 during the fiscal year ended September 30, 2022.

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

	<u>2022</u>	<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	\$ 6,928,153	\$ 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	14,340,721	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	(9,120,501)	(7,989,706)	(7,359,415)	(8,075,492)	(7,123,049)	(5,725,728)	(5,402,934)	(4,931,584)
Changes in assumptions	339,698	288,975	6,040,878	21,107,459	248,807	4,142,261	3,165,452	-
Plan changes	1,003,347	-	-	(3,251,913)	-	-	-	-
Differences in expected and actual experience	9,022,410	4,591,091	12,264,924	3,586,890	7,274,695	3,745,052	2,722,097	-
Net change in total pension liability	22,513,828	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	209,427,702	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>\$ 231,941,530</u>	<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	\$ 13,918,178	\$ 12,978,063	\$ 11,006,853	\$ 9,012,774	\$ 6,983,937	\$ 5,098,795	\$ 3,211,208	\$ 3,284,519
Contributions-employee	5,216,437	5,109,928	4,499,616	4,152,868	3,892,462	3,661,184	3,415,883	3,161,975
Net investment income	21,170,011	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	(9,120,501)	(7,989,706)	(7,359,415)	(8,075,493)	(7,123,049)	(5,725,728)	(5,207,647)	(4,931,584)
Administrative expenses	(289,272)	(273,657)	(247,038)	(222,709)	(211,606)	(199,710)	(189,319)	(172,667)
Other	(817,038)	(540,179)	(514,156)	(441,080)	(558,648)	(543,269)	(669,631)	(89,595)
Net change in plan fiduciary net position	30,077,815	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	131,124,986	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>\$ 161,202,801</u>	<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>\$ 70,738,729</u>	<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	69.50%	62.61%	54.78%	48.87%	58.42%	53.57%	54.25%	59.39%
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
County's net pension liability as a percentage of covered payroll	90.24%	108.32%	131.31%	134.46%	84.76%	104.09%	97.67%	82.95%

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>2022</u>	<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	\$ 1,558,132	\$ 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>14,887,811</u>	<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>\$ (13,329,679)</u>	<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	\$ 86,069,945	\$ 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	17.30%	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service cost	\$ 766,487	\$ 1,135,366	\$ 703,863	\$ 571,586	\$ 383,243
Interest on total OPEB liability	702,703	249,681	183,934	207,342	206,055
Changes of benefit terms	-	-	-	2,854,622	-
Differences between expected and actual experience	(692,726)	2,580,558	(191,151)	(300,694)	(12,009,229)
Changes of assumptions or other inputs	(3,199,834)	589,947	1,383,046	(151,375)	12,356,713
Employer contributions	(102,546)	(98,766)	(399,810)	(378,111)	(639,899)
Net change in total OPEB liability	<u>(2,525,916)</u>	<u>4,456,786</u>	<u>1,679,882</u>	<u>2,803,370</u>	<u>296,883</u>
Total OPEB liability - beginning	<u>14,731,709</u>	<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>\$ 12,205,793</u>	<u>\$ 14,731,709</u>	<u>\$ 10,274,923</u>	<u>\$ 8,595,041</u>	<u>\$ 5,791,671</u>
Covered-employee payroll	\$ 65,405,783	\$ 62,890,176	\$ 65,406,912	\$ 63,501,856	\$ 58,902,161
County's total OPEB liability as a percentage of covered-employee payroll	18.66%	23.42%	15.71%	13.54%	9.83%

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.

Cherokee County, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Budget		Actual	Variance
	Original	Final		With Final Budget
Revenues				
Property taxes	\$ 82,979,701	\$ 83,431,753	\$ 85,418,965	\$ 1,987,212
Franchise taxes	2,525,000	2,525,000	2,405,668	(119,332)
Insurance premiums taxes	13,029,770	13,228,964	13,789,717	560,753
Licenses and permits	2,895,000	2,895,000	3,850,361	955,361
Intergovernmental	102,000	102,000	422,341	320,341
Fines and forfeitures	4,670,449	4,670,449	5,203,236	532,787
Charges for services	10,795,134	10,871,330	12,202,383	1,331,053
Interest	60,000	60,000	683,299	623,299
Other	791,730	791,730	946,033	154,303
Total revenues	<u>117,848,784</u>	<u>118,576,226</u>	<u>124,922,003</u>	<u>6,345,777</u>
Expenditures				
Current:				
General government				
County commission	360,771	366,270	366,403	(133)
County manager	637,840	636,940	605,758	31,182
County clerk	312,308	312,128	310,601	1,527
Administrative services agencies	270,318	270,018	237,464	32,554
Elections	2,479,081	2,477,281	1,690,361	786,920
Finance	1,008,630	1,007,310	967,548	39,762
Purchasing	390,076	389,596	375,795	13,801
County attorney	352,710	352,410	248,486	103,924
Data processing	3,822,456	3,819,936	3,714,788	105,148
Human resources	414,044	416,896	417,126	(230)
Tax commissioner	2,450,836	2,444,836	2,091,232	353,604
Tax commissioner (TAVT)	268,933	268,933	178,499	90,434
Tax assessor	3,015,660	3,010,380	2,916,360	94,020
Development services administration	552,651	551,571	549,580	1,991
GIS/mapping	368,555	367,775	320,082	47,693
Building and grounds	2,374,123	2,373,223	2,337,645	35,578
General administration	178,844	178,844	90,142	88,702
Risk management	135,875	160,416	149,124	11,292
Communications	298,705	298,705	291,752	6,953
Capital Projects	15,008	17,838	17,837	1
Total general government	<u>19,707,424</u>	<u>19,721,306</u>	<u>17,876,583</u>	<u>1,844,723</u>
Judicial				
Court administration	2,379,354	2,377,674	2,109,435	268,239
Superior court	587,381	585,881	521,638	64,243
Clerk of superior court	4,475,572	4,687,083	4,689,096	(2,013)
Board of equalization	26,840	26,840	15,726	11,114
Clerk of court technology fund	163,000	163,000	68,924	94,076
District attorney	4,070,932	4,072,500	4,071,434	1,066
State court	1,168,424	1,166,804	1,114,403	52,401

(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, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Judicial (continued)				
State court solicitor	2,284,748	2,279,348	2,219,843	59,505
Magistrate court	515,002	514,522	507,384	7,138
Probate court	1,067,579	1,065,059	1,042,555	22,504
Indigent defense	2,770,486	2,881,496	2,881,670	(174)
Office of solicitor general	46,000	46,000	179	45,821
Juvenile court	1,544,823	1,543,203	1,503,112	40,091
Juvenile court supervision	50,550	50,550	16,757	33,793
Total judicial	<u>21,150,691</u>	<u>21,459,960</u>	<u>20,762,156</u>	<u>697,804</u>
Public safety				
Coroner	326,555	326,555	298,725	27,830
Vice control	1,668,478	2,010,833	2,011,415	(582)
Law enforcement administration	4,512,126	5,220,224	5,220,970	(746)
Criminal investigation	4,786,104	4,540,856	4,298,835	242,021
Uniform patrol	11,689,797	11,885,778	11,886,754	(976)
Sheriff training division	1,488,874	1,546,754	1,547,157	(403)
Intelligence division	112,500	111,900	90,199	21,701
Special operations	3,305,300	3,351,573	3,310,978	40,595
Adult detention facility	21,017,932	21,310,438	20,740,652	569,786
Emergency management	399,682	393,562	324,795	68,767
Court services	2,963,607	3,172,023	3,172,195	(172)
Sheriff crossing guard	209,924	209,924	183,652	26,272
Animal control	539,162	582,360	582,353	7
Animal shelter	1,579,983	1,615,830	1,616,123	(293)
Animal shelter special	-	115,140	115,139	1
Probation	888,856	888,856	881,200	7,656
Radio Communications	143,192	143,192	118,928	24,264
Total public safety	<u>55,632,072</u>	<u>57,425,798</u>	<u>56,400,070</u>	<u>1,025,728</u>
Public works				
Recycling	341,407	381,702	381,701	1
Roads	4,249,490	4,247,990	3,641,971	606,019
Stormwater management	573,693	572,913	517,767	55,146
Engineering	1,488,148	1,485,628	1,359,622	126,006
Postclosure care	341,317	379,380	379,379	1
Transportation engineering	-	-	5	(5)
Total public works	<u>6,994,055</u>	<u>7,067,613</u>	<u>6,280,445</u>	<u>787,168</u>
Health and welfare				
Public health administration	202,701	203,861	203,861	-
Aid to dependent children	97,000	113,693	113,692	1
Aid to the disabled	15,000	15,000	15,000	-
Children and youth services	36,300	36,300	31,700	4,600
Community services	209,502	214,072	214,073	(1)
County extension	112,699	115,265	114,538	727
Senior center	6,129	7,250	7,249	1
Total health and welfare	<u>679,331</u>	<u>705,441</u>	<u>700,113</u>	<u>5,328</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, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Housing and development				
Code enforcement	1,801,453	1,871,505	1,871,965	(460)
Conservation	88,193	142,679	142,739	(60)
Planning and zoning	1,250,106	1,248,486	1,121,408	127,078
Permits and inspections	1,141,391	1,139,891	1,061,227	78,664
Forestry services	13,197	13,197	13,197	-
Economic development	637,187	637,187	637,187	-
Total housing and development	<u>4,931,527</u>	<u>5,052,945</u>	<u>4,847,723</u>	<u>205,222</u>
Culture and recreation				
Community arts centers	40,000	40,000	30,000	10,000
Historical Society	62,500	62,500	62,502	(2)
Library	2,832,863	2,832,863	2,832,323	540
MUST	50,000	50,000	50,000	-
Total recreation and culture	<u>2,985,363</u>	<u>2,985,363</u>	<u>2,974,825</u>	<u>10,538</u>
Debt service:				
Principal	235,985	363,533	335,365	28,168
Interest	32,613	32,613	12,942	19,671
Total debt service	<u>268,598</u>	<u>396,146</u>	<u>348,307</u>	<u>47,839</u>
Total expenditures	<u>112,349,061</u>	<u>114,814,572</u>	<u>110,190,222</u>	<u>4,624,350</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,499,723</u>	<u>3,761,654</u>	<u>14,731,781</u>	<u>10,970,127</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	-	6,200	30,400	24,200
Issuance of debt	168,295	168,295	208,244	39,949
Insurance reimbursement	-	85,396	177,861	92,465
Transfers in	301,355	301,355	10,301,355	10,000,000
Transfers out	(11,595,376)	(11,618,353)	(11,233,415)	384,938
Total other financing sources (uses)	<u>(11,125,726)</u>	<u>(11,057,107)</u>	<u>(515,555)</u>	<u>10,541,552</u>
Net change in fund balance	(5,626,003)	(7,295,453)	14,216,226	21,511,679
Fund balance, beginning of year	<u>52,467,683</u>	<u>52,467,683</u>	<u>52,467,683</u>	<u>-</u>
Fund balance, end of year	<u>\$ 46,841,680</u>	<u>\$ 45,172,230</u>	<u>\$ 66,683,909</u>	<u>\$ 21,511,679</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, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Property taxes	\$30,994,137	\$30,994,137	\$ 31,490,213	\$ 496,076
Intergovernmental	8,810,864	8,810,864	8,597,712	(213,152)
Charges for services	72,000	72,000	102,714	30,714
Interest	18,000	18,000	96,918	78,918
Contributions and donations	-	-	7,000	7,000
Miscellaneous	-	-	1,500	1,500
Total revenues	39,895,001	39,895,001	40,296,057	401,056
Expenditures				
Current				
Public safety	40,210,851	40,220,492	39,190,330	1,030,162
Debt Service				
Principal	-	13,320	10,489	2,831
Interest	-	-	290	(290)
Total expenditures	40,210,851	40,233,812	39,201,109	1,032,703
Excess (Deficiency) of Revenues Over (Under) Expenditures	(315,850)	(338,811)	1,094,948	1,433,759
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	2,628	2,628
Insurance reimbursement	-	22,961	22,961	-
Transfers out	(151,355)	(151,355)	(151,355)	-
Total other financing sources (uses)	(151,355)	(128,394)	(125,766)	2,628
Net Change in Fund Balance	(467,205)	(467,205)	969,182	1,436,387
Fund Balance Beginning of Year	10,635,371	10,635,371	10,635,371	-
Fund Balance End of Year	\$10,168,166	\$10,168,166	\$ 11,604,553	\$ 1,436,387

Cherokee County, Georgia
ARPA Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	\$ -	\$40,519,479	\$ 20,286,799	\$(20,232,680)
Total revenues	-	40,519,479	20,286,799	(20,232,680)
Expenditures				
Current				
General government	-	25,122,987	5,426,427	19,696,560
Judicial	-	1,352,640	844,229	508,411
Public works	-	3,659,700	3,638,018	21,682
Public safety	-	9	8	1
Health and welfare	-	378,091	378,090	1
Culture and recreation	-	28	27	1
Debt Service				
Principal	-	5,280	-	5,280
Interest	-	744	-	744
Total expenditures	-	30,519,479	10,286,799	20,232,680
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	10,000,000	10,000,000	-
Other Financing Sources (Uses)				
Transfers out	-	(10,000,000)	(10,000,000)	-
Total other financing sources (uses)	-	(10,000,000)	(10,000,000)	-
Net Change in Fund Balance	-	-	-	-
Fund Balance Beginning of Year	-	-	-	-
Fund Balance End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHEROKEE COUNTY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022

1. METHODS AND ASSUMPTIONS TO DETERMINE CONTRIBUTION RATES

Pension Plan:

1. Valuation date: 01/01/22
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

Pension Plan:

1. There were no changes in discount rate or other assumptions.

OPEB Plan:

1. The discount rate was increased from 2.43% to 4.77%.
2. The medical trend rate was decreased from 6.30% to 6.20%.

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, 2022

	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	\$ 537,228	\$ 431,350	\$ 202,343	\$ 64,211	\$ 1,770	\$ 696,894	\$ 518,822	\$ 9,238	\$ 1,685,784	\$ 64,871
Property taxes receivable, net	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	484	-	-	7,272	-	384,354	-
Due from other governments	-	-	209,962	-	386,632	2,456	35,514	4,631	-	-
Prepaid items	-	-	-	-	-	-	-	-	500	-
Total Assets	\$ 537,228	\$ 431,350	\$ 412,305	\$ 64,695	\$ 388,402	\$ 699,350	\$ 561,608	\$ 13,869	\$ 2,070,638	\$ 64,871
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Accounts payable	\$ -	\$ -	\$ 22,753	\$ 7,988	\$ 40,142	\$ -	\$ 29,504	\$ -	\$ 145,040	\$ -
Accrued liabilities	-	-	48,624	-	35,067	-	8,549	3,762	121,161	-
Due to other funds	-	-	-	-	165,622	-	-	10,107	-	-
Unearned revenue	-	-	-	-	-	-	-	-	517,456	-
Total Liabilities	-	-	71,377	7,988	240,831	-	38,053	13,869	783,657	-
Deferred Inflows of Resources										
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balances										
Nonspendable:										
Prepaid items	-	-	-	-	-	-	-	-	500	-
Restricted:										
Law library operations	-	431,350	-	-	-	-	-	-	-	-
Senior services	-	-	340,928	-	-	-	-	-	-	-
Public safety	-	-	-	56,707	-	-	-	-	-	64,871
Court services	-	-	-	-	-	699,350	523,555	-	-	-
Grant activities	-	-	-	-	147,571	-	-	-	-	-
Jail operations and construction	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-	-
Committed:										
Jail and inmate services	537,228	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	1,286,481	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	537,228	431,350	340,928	56,707	147,571	699,350	523,555	-	1,286,981	64,871
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 537,228	\$ 431,350	\$ 412,305	\$ 64,695	\$ 388,402	\$ 699,350	\$ 561,608	\$ 13,869	\$ 2,070,638	\$ 64,871

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2022

	Special Revenue Funds								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
Assets									
Cash	\$ -	\$ 382,287	\$ 78,982	\$ 3,298,426	\$ -	\$ 523,688	\$ 2,356	\$ -	\$ 272,973
Property taxes receivable, net	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	1,124	44,273	-	600	-	420
Due from other governments	518,675	16,145	-	983,682	-	283,144	180,798	41,640	-
Prepaid items	-	-	-	-	-	-	-	-	-
Total Assets	\$ 518,675	\$ 398,432	\$ 78,982	\$ 4,283,232	\$ 44,273	\$ 806,832	\$ 183,754	\$ 41,640	\$ 273,393
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	\$ 509,152	\$ 10,985	\$ -	\$ 31,100	\$ -	\$ 30,459	\$ 21,940	\$ 2,778	\$ 9,317
Accrued liabilities	5,690	-	-	169,982	-	39,385	19,194	4,311	6,110
Due to other funds	46,216	-	-	-	44,273	-	12,007	22,221	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	561,058	10,985	-	201,082	44,273	69,844	53,141	29,310	15,427
Deferred Inflows of Resources									
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances									
Nonspendable:									
Prepaid items	-	-	-	-	-	-	-	-	-
Restricted:									
Law library operations	-	-	-	-	-	-	-	-	-
Senior services	-	-	-	-	-	-	-	-	-
Public safety	-	-	78,982	-	-	-	-	-	257,966
Court services	-	-	-	-	-	-	-	-	-
Grant activities	-	-	-	-	-	-	130,613	12,330	-
Jail operations and construction	-	387,447	-	-	-	-	-	-	-
E911 operations	-	-	-	4,082,150	-	-	-	-	-
Health and welfare	-	-	-	-	-	736,988	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-
Committed:									
Jail and inmate services	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	(42,383)	-	-	-	-	-	-	-	-
Total Fund Balances	(42,383)	387,447	78,982	4,082,150	-	736,988	130,613	12,330	257,966
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 518,675	\$ 398,432	\$ 78,982	\$ 4,283,232	\$ 44,273	\$ 806,832	\$ 183,754	\$ 41,640	\$ 273,393

Cherokee County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2022

	Special Revenue				
	Funds	Capital Projects Funds			
	CARES	Resource Recovery Development Authority	Impact Fees	Debt Service	Total
Assets					
Cash	\$ 3,747,152	\$ -	\$ 10,616,089	\$ 370,009	\$ 23,504,473
Property taxes receivable, net	-	-	-	5,574,049	5,574,049
Accounts receivable, net	-	-	-	-	438,527
Due from other governments	-	-	10,779	-	2,674,058
Prepaid items	-	-	-	-	500
Total Assets	\$ 3,747,152	\$ -	\$ 10,626,868	\$ 5,944,058	\$ 32,191,607
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 302,729	\$ -	\$ -	\$ -	\$ 1,163,887
Accrued liabilities	-	-	902	-	462,737
Due to other funds	-	-	-	-	300,446
Unearned revenue	3,444,423	-	-	-	3,961,879
Total Liabilities	3,747,152	-	902	-	5,888,949
Deferred Inflows of Resources					
Unavailable revenue- property taxes	-	-	-	5,999,159	5,999,159
Total Deferred Inflows of Resources	-	-	-	5,999,159	5,999,159
Fund Balances					
Nonspendable:					
Prepaid items	-	-	-	-	500
Restricted:					
Law library operations	-	-	-	-	431,350
Senior services	-	-	-	-	340,928
Public safety	-	-	-	-	458,526
Court services	-	-	-	-	1,222,905
Grant activities	-	-	-	-	290,514
Jail operations and construction	-	-	-	-	387,447
E911 operations	-	-	-	-	4,082,150
Health and welfare	-	-	-	-	736,988
Impact fees	-	-	10,625,966	-	10,625,966
Committed:					
Jail and inmate services	-	-	-	-	537,228
Parks and recreation activities	-	-	-	-	1,286,481
Unassigned (deficit)	-	-	-	(55,101)	(97,484)
Total Fund Balances	-	-	10,625,966	(55,101)	20,303,499
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,747,152	\$ -	\$ 10,626,868	\$ 5,944,058	\$ 32,191,607

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2022

	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	-	-	-	-	-	-	-	-	1,259,662	-
Other taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	896,689	-	2,187,234	-	97,732	-	-	-
Fines and forfeitures	-	92,527	-	-	14,821	235,954	292,173	171,732	-	3,777
Charges for services	1,016,500	-	80,586	-	-	-	-	-	2,936,966	-
Investment income	-	1,503	-	-	-	2,856	-	-	-	-
Contributions	-	-	23,073	-	31,178	-	38,920	-	53,504	-
Other	-	-	-	484	-	-	-	-	223,768	-
Total Revenues	1,016,500	94,030	1,000,348	484	2,233,233	238,810	428,825	171,732	4,473,900	3,777
Expenditures										
Current:										
General government	-	-	-	-	296,184	-	-	-	-	-
Judicial	-	190,695	-	-	1,035,529	-	674,923	113,120	-	9,888
Public safety	837,537	-	-	27,849	1,081,085	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	1,919,049	-	4,349	-	-	106,000	-	-
Culture and recreation	-	-	-	-	262,147	-	-	-	5,880,203	-
Housing and development	-	-	-	-	1,480	-	-	-	-	-
Debt service:										
Principal	-	-	9,035	-	-	-	943	-	22,414	-
Interest	-	-	462	-	-	-	26	-	498	-
Total Expenditures	837,537	190,695	1,928,546	27,849	2,680,774	-	675,892	219,120	5,903,115	9,888
Excess (Deficiency) of Revenues Over (Under) Expenditures	178,963	(96,665)	(928,198)	(27,365)	(447,541)	238,810	(247,067)	(47,388)	(1,429,215)	(6,111)
Other Financing Sources (Uses)										
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	-
Issuance of debt	-	-	23,988	-	-	-	-	-	-	-
Transfers in	-	-	828,468	-	323,236	-	56,903	38,505	1,966,765	-
Transfers out	-	-	-	-	-	(131,574)	-	-	(150,000)	-
Total Other Financing Sources (Uses)	-	-	852,456	-	323,236	(131,574)	56,903	38,505	1,816,765	-
Net Change in Fund Balances	178,963	(96,665)	(75,742)	(27,365)	(124,305)	107,236	(190,164)	(8,883)	387,550	(6,111)
Fund Balances Beginning of Year	358,265	528,015	416,670	84,072	271,876	592,114	713,719	8,883	899,431	70,982
Fund Balances End of Year	\$ 537,228	\$ 431,350	\$ 340,928	\$ 56,707	\$ 147,571	\$ 699,350	\$ 523,555	\$ -	\$ 1,286,981	\$ 64,871

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2022

	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	-	-	-	-	568,709	-	-	-	-
Intergovernmental	1,561,518	-	77,018	6,748	-	1,472,471	407,185	138,040	-
Fines and forfeitures	-	375,535	-	-	-	-	120,860	3,030	-
Charges for services	-	56,615	-	5,971,956	-	458,269	-	-	366,274
Investment income	-	44	-	9,240	-	-	-	-	-
Contributions	-	-	-	-	-	-	2,800	-	-
Other	-	11,741	-	-	-	331	-	-	-
Total Revenues	1,561,518	443,935	77,018	5,987,944	568,709	1,931,071	530,845	141,070	366,274
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	672,419	166,344	290,705
Public safety	-	643,085	50,754	5,345,118	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	1,964,861	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Housing and development	1,477,104	-	-	-	65,000	-	-	-	-
Debt service:									
Principal	236	-	-	2,357	-	707	471	-	-
Interest	7	-	-	65	-	20	13	-	-
Total Expenditures	1,477,347	643,085	50,754	5,347,540	65,000	1,965,588	672,903	166,344	290,705
Excess (Deficiency) of Revenues Over (Under) Expenditures	84,171	(199,150)	26,264	640,404	503,709	(34,517)	(142,058)	(25,274)	75,569
Other Financing Sources (Uses)									
Proceeds from sale of capital assets	-	-	-	2,200	-	5,000	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	136,938	75,780	25,580	-
Transfers out	-	-	-	-	(503,709)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	2,200	(503,709)	141,938	75,780	25,580	-
Net Change in Fund Balances	84,171	(199,150)	26,264	642,604	-	107,421	(66,278)	306	75,569
Fund Balances Beginning of Year	(126,554)	586,597	52,718	3,439,546	-	629,567	196,891	12,024	182,397
Fund Balances End of Year	\$ (42,383)	\$ 387,447	\$ 78,982	\$ 4,082,150	\$ -	\$ 736,988	\$ 130,613	\$ 12,330	\$ 257,966

Cherokee County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2022

	Special Revenue				Total
	Funds	Capital Projects Funds			
	CARES Act	Resource Recovery Development Authority	Impact Fees	Debt Service	
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ 6,235,764	\$ 6,235,764
Alcoholic beverage taxes	-	-	-	-	1,259,662
Other taxes	-	-	-	-	568,709
Intergovernmental	4,171,831	-	276,188	-	11,292,654
Fines and forfeitures	-	-	-	-	1,310,409
Charges for services	-	-	3,291,887	-	14,179,053
Investment income	-	14,870	42,549	-	71,062
Contributions	-	-	-	-	149,475
Other	-	59,265	-	99,106	394,695
Total Revenues	4,171,831	74,135	3,610,624	6,334,870	35,461,483
Expenditures					
Current:					
General government	-	-	79,101	-	375,285
Judicial	-	-	-	-	3,153,623
Public safety	-	-	482,262	-	8,467,690
Public works	-	14,850	-	-	14,850
Health and welfare	-	-	-	-	3,994,259
Culture and recreation	-	-	-	-	6,142,350
Housing and development	4,171,831	-	-	-	5,715,415
Debt service:					
Principal	-	3,290,000	-	5,175,000	8,501,163
Interest	-	125,304	-	1,069,287	1,195,682
Total Expenditures	4,171,831	3,430,154	561,363	6,244,287	37,560,317
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(3,356,019)	3,049,261	90,583	(2,098,834)
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	-	-	-	-	7,200
Issuance of debt	-	-	-	-	23,988
Transfers in	-	2,443,751	-	-	5,895,926
Transfers out	-	-	(1,000,000)	-	(1,785,283)
Total Other Financing Sources (Uses)	-	2,443,751	(1,000,000)	-	4,141,831
Net Change in Fund Balances	-	(912,268)	2,049,261	90,583	2,042,997
Fund Balances Beginning of Year	-	912,268	8,576,705	(145,684)	18,260,502
Fund Balances End of Year	\$ -	\$ -	\$ 10,625,966	\$ (55,101)	\$ 20,303,499

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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, 2022

	Sheriff's Commissary			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	800,000	837,538	1,016,500	178,962
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	800,000	837,538	1,016,500	178,962
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	800,000	837,538	837,537	1
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	800,000	837,538	837,537	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	178,963	178,963
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	178,963	178,963
Fund Balances Beginning of Year	358,265	358,265	358,265	-
Fund Balances End of Year	\$ 358,265	\$ 358,265	\$ 537,228	\$ 178,963

Law Library				Senior Services			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	976,592	1,068,664	896,689	(171,975)
122,500	122,500	92,527	(29,973)	-	-	-	-
4,000	4,000	-	(4,000)	60,270	60,270	80,586	20,316
1,000	1,000	1,503	503	-	-	-	-
-	-	-	-	14,500	16,450	23,073	6,623
-	-	-	-	-	-	-	-
127,500	127,500	94,030	(33,470)	1,051,362	1,145,384	1,000,348	(145,036)
-	-	-	-	-	-	-	-
127,500	190,696	190,695	1	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,874,447	1,966,069	1,919,049	47,020
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	6,823	9,223	9,035	188
-	-	-	-	260	260	462	(202)
127,500	190,696	190,695	1	1,881,530	1,975,552	1,928,546	47,006
-	(63,196)	(96,665)	(33,469)	(830,168)	(830,168)	(928,198)	(98,030)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	23,988	23,988
-	-	-	-	828,468	828,468	828,468	-
-	-	-	-	-	-	-	-
-	-	-	-	828,468	828,468	852,456	23,988
-	(63,196)	(96,665)	(33,469)	(1,700)	(1,700)	(75,742)	(74,042)
528,015	528,015	528,015	-	416,670	416,670	416,670	-
\$ 528,015	\$ 464,819	\$ 431,350	\$ (33,469)	\$ 414,970	\$ 414,970	\$ 340,928	\$ (74,042)

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	150,000	150,000	-	(150,000)
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	484	484
Total revenues	150,000	150,000	484	(149,516)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	150,000	150,000	27,849	122,151
Health and welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	150,000	150,000	27,849	122,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(27,365)	(27,365)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	(27,365)	(27,365)
Fund Balances Beginning of Year	84,072	84,072	84,072	-
Fund Balances End of Year	\$ 84,072	\$ 84,072	\$ 56,707	\$ (27,365)

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		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
698,225	2,552,120	2,187,234	(364,886)	-	-	-	-
14,585	14,585	14,821	236	193,700	204,251	235,954	31,703
-	-	-	-	-	-	-	-
-	-	-	-	200	200	2,856	2,656
-	7,824	31,178	23,354	-	-	-	-
-	-	-	-	-	-	-	-
<u>712,810</u>	<u>2,574,529</u>	<u>2,233,233</u>	<u>(341,296)</u>	<u>193,900</u>	<u>204,451</u>	<u>238,810</u>	<u>34,359</u>
48,000	371,745	296,184	75,561	-	-	-	-
1,061,054	1,402,483	1,035,529	366,954	-	-	-	-
-	1,110,402	1,081,085	29,317	-	-	-	-
-	74,600	4,349	70,251	-	-	-	-
-	275,020	262,147	12,873	-	-	-	-
-	1,500	1,480	20	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,109,054</u>	<u>3,235,750</u>	<u>2,680,774</u>	<u>554,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(396,244)</u>	<u>(661,221)</u>	<u>(447,541)</u>	<u>213,680</u>	<u>193,900</u>	<u>204,451</u>	<u>238,810</u>	<u>34,359</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
396,244	421,551	323,236	(98,315)	-	-	-	-
-	-	-	-	(226,508)	(240,059)	(131,574)	108,485
<u>396,244</u>	<u>421,551</u>	<u>323,236</u>	<u>(98,315)</u>	<u>(226,508)</u>	<u>(240,059)</u>	<u>(131,574)</u>	<u>108,485</u>
-	(239,670)	(124,305)	115,365	(32,608)	(35,608)	107,236	142,844
271,876	271,876	271,876	-	592,114	592,114	592,114	-
<u>\$ 271,876</u>	<u>\$ 32,206</u>	<u>\$ 147,571</u>	<u>\$ 115,365</u>	<u>\$ 559,506</u>	<u>\$ 556,506</u>	<u>\$ 699,350</u>	<u>\$ 142,844</u>

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	DUI Court			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	90,639	90,639	97,732	7,093
Fines and forfeitures	295,000	295,000	292,173	(2,827)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	35,000	35,000	38,920	3,920
Other	-	-	-	-
Total revenues	420,639	420,639	428,825	8,186
Expenditures				
Current:				
General government	-	-	-	-
Judicial	534,781	674,691	674,923	(232)
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	1,200	943	257
Interest	-	-	26	(26)
Total expenditures	534,781	675,891	675,892	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(114,142)	(255,252)	(247,067)	8,185
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	-	-	-
Transfers in	60,071	60,071	56,903	(3,168)
Transfers out	-	-	-	-
Total other financing sources (uses)	60,071	60,071	56,903	(3,168)
Net Change in Fund Balances	(54,071)	(195,181)	(190,164)	5,017
Fund Balances Beginning of Year	713,719	713,719	713,719	-
Fund Balances End of Year	\$ 659,648	\$ 518,538	\$ 523,555	\$ 5,017

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		
\$ -	\$ -	\$ -	\$ -	\$ 1,215,000	\$ 1,215,000	\$ 1,259,662	\$ 44,662
-	-	-	-	-	-	-	-
207,000	207,000	171,732	(35,268)	-	-	-	-
-	-	-	-	2,902,865	2,902,865	2,936,966	34,101
-	-	-	-	-	-	-	-
-	-	-	-	45,000	45,000	53,504	8,504
-	-	-	-	14,935	223,756	223,768	12
207,000	207,000	171,732	(35,268)	4,177,800	4,386,621	4,473,900	87,279
-	-	-	-	-	-	-	-
109,883	113,118	113,120	(2)	-	-	-	-
-	-	-	-	-	-	-	-
106,000	106,000	106,000	-	-	-	-	-
-	-	-	-	5,974,802	6,179,723	5,880,203	299,520
-	-	-	-	-	-	-	-
-	-	-	-	19,350	23,250	22,414	836
-	-	-	-	413	413	498	(85)
215,883	219,118	219,120	(2)	5,994,565	6,203,386	5,903,115	300,271
(8,883)	(12,118)	(47,388)	(35,270)	(1,816,765)	(1,816,765)	(1,429,215)	387,550
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	3,235	38,505	35,270	1,966,765	1,966,765	1,966,765	-
-	-	-	-	(150,000)	(150,000)	(150,000)	-
-	3,235	38,505	35,270	1,816,765	1,816,765	1,816,765	-
(8,883)	(8,883)	(8,883)	-	-	-	387,550	387,550
8,883	8,883	8,883	-	899,431	899,431	899,431	-
\$ -	\$ -	\$ -	\$ -	\$ 899,431	\$ 899,431	\$ 1,286,981	\$ 387,550

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	DA Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	35,000	35,000	3,777	(31,223)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	35,000	35,000	3,777	(31,223)
Expenditures				
Current:				
General government	-	-	-	-
Judicial	35,000	35,000	9,888	25,112
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	35,000	35,000	9,888	25,112
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(6,111)	(6,111)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	(6,111)	(6,111)
Fund Balances Beginning of Year	70,982	70,982	70,982	-
Fund Balances End of Year	\$ 70,982	\$ 70,982	\$ 64,871	\$ (6,111)

CDBG				Jail			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,142,112	2,374,526	1,561,518	(813,008)	-	-	-	-
-	-	-	-	406,000	406,000	375,535	(30,465)
-	-	-	-	100,000	100,000	56,615	(43,385)
-	-	-	-	500	500	44	(456)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	11,741	11,741
1,142,112	2,374,526	1,561,518	(813,008)	506,500	506,500	443,935	(62,565)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	428,719	643,085	643,085	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,142,112	2,374,176	1,477,104	897,072	-	-	-	-
-	350	236	114	-	-	-	-
-	-	7	(7)	-	-	-	-
1,142,112	2,374,526	1,477,347	897,179	428,719	643,085	643,085	-
-	-	84,171	84,171	77,781	(136,585)	(199,150)	(62,565)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	84,171	84,171	77,781	(136,585)	(199,150)	(62,565)
(126,554)	(126,554)	(126,554)	-	586,597	586,597	586,597	-
\$ (126,554)	\$ (126,554)	\$ (42,383)	\$ 84,171	\$ 664,378	\$ 450,012	\$ 387,447	\$ (62,565)

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Sheriff's Forfeiture			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	70,000	70,000	77,018	7,018
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	70,000	70,000	77,018	7,018
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	70,000	70,000	50,754	19,246
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	70,000	70,000	50,754	19,246
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	26,264	26,264
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	26,264	26,264
Fund Balances Beginning of Year	52,718	52,718	52,718	-
Fund Balances End of Year	\$ 52,718	\$ 52,718	\$ 78,982	\$ 26,264

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		
\$ -	\$ -	\$ -	\$ -	\$ 220,000	\$ 568,709	\$ 568,709	\$ -
-	10,000	6,748	(3,252)	-	-	-	-
-	-	-	-	-	-	-	-
6,000,500	6,000,500	5,971,956	(28,544)	-	-	-	-
1,000	1,000	9,240	8,240	-	-	-	-
-	-	-	-	-	-	-	-
500	500	-	(500)	-	-	-	-
<u>6,002,000</u>	<u>6,012,000</u>	<u>5,987,944</u>	<u>(24,056)</u>	<u>220,000</u>	<u>568,709</u>	<u>568,709</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
6,258,764	6,379,408	5,345,118	1,034,290	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	65,000	65,000	65,000	-
-	-	2,357	(2,357)	-	-	-	-
-	-	65	(65)	-	-	-	-
<u>6,258,764</u>	<u>6,379,408</u>	<u>5,347,540</u>	<u>1,031,868</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
(256,764)	(367,408)	640,404	1,007,812	155,000	503,709	503,709	-
-	-	2,200	2,200	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(155,000)	(503,709)	(503,709)	-
<u>-</u>	<u>-</u>	<u>2,200</u>	<u>2,200</u>	<u>(155,000)</u>	<u>(503,709)</u>	<u>(503,709)</u>	<u>-</u>
(256,764)	(367,408)	642,604	1,010,012	-	-	-	-
3,439,546	3,439,546	3,439,546	-	-	-	-	-
<u>\$ 3,182,782</u>	<u>\$ 3,072,138</u>	<u>\$ 4,082,150</u>	<u>\$ 1,010,012</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022**

	Transportation			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,261,893	1,526,468	1,472,471	(53,997)
Fines and forfeitures	-	-	-	-
Charges for services	302,184	302,184	458,269	156,085
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	331	331
Total revenues	1,564,077	1,828,652	1,931,071	102,419
Expenditures				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	1,701,015	1,964,670	1,964,861	(191)
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	920	707	213
Interest	-	-	20	(20)
Total expenditures	1,701,015	1,965,590	1,965,588	2
Excess (Deficiency) of Revenues Over (Under) Expenditures	(136,938)	(136,938)	(34,517)	102,421
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	5,000	5,000
Issuance of debt	-	-	-	-
Transfers in	136,938	136,938	136,938	-
Transfers out	-	-	-	-
Total other financing sources (uses)	136,938	136,938	141,938	5,000
Net Change in Fund Balances	-	-	107,421	107,421
Fund Balances Beginning of Year	629,567	629,567	629,567	-
Fund Balances End of Year	\$ 629,567	\$ 629,567	\$ 736,988	\$ 107,421

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		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
470,417	523,398	407,185	(116,213)	139,319	139,319	138,040	(1,279)
154,659	155,659	120,860	(34,799)	2,000	2,000	3,030	1,030
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,800	2,800	-	-	-	-
-	-	-	-	-	-	-	-
625,076	679,057	530,845	(148,212)	141,319	141,319	141,070	(249)
-	-	-	-	-	-	-	-
818,768	875,149	672,419	202,730	161,358	166,344	166,344	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	600	471	129	-	-	-	-
-	-	13	(13)	-	-	-	-
818,768	875,749	672,903	202,846	161,358	166,344	166,344	-
(193,692)	(196,692)	(142,058)	54,634	(20,039)	(25,025)	(25,274)	(249)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
178,652	181,652	75,780	(105,872)	20,039	25,025	25,580	555
-	-	-	-	-	-	-	-
178,652	181,652	75,780	(105,872)	20,039	25,025	25,580	555
(15,040)	(15,040)	(66,278)	(51,238)	-	-	306	306
196,891	196,891	196,891	-	12,024	12,024	12,024	-
\$ 181,851	\$ 181,851	\$ 130,613	\$ (51,238)	\$ 12,024	\$ 12,024	\$ 12,330	\$ 306

Cherokee County, Georgia
Special Revenue Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Drug Screening Lab			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	347,385	347,385	366,274	18,889
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	347,385	347,385	366,274	18,889
Expenditures				
Current:				
General government	-	-	-	-
Judicial	347,385	347,385	290,705	56,680
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	347,385	347,385	290,705	56,680
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	75,569	75,569
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Change in Fund Balances	-	-	75,569	75,569
Fund Balances Beginning of Year	182,397	182,397	182,397	-
Fund Balances End of Year	\$ 182,397	\$ 182,397	\$ 257,966	\$ 75,569

CARES Act				
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -
-	2,596,181	4,171,831	1,575,650	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	2,596,181	4,171,831	1,575,650	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,575,650	4,171,831	4,171,831	-	-
-	-	-	-	-
-	-	-	-	-
1,575,650	4,171,831	4,171,831	-	-
(1,575,650)	(1,575,650)	-	1,575,650	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(1,575,650)	(1,575,650)	-	1,575,650	-
-	-	-	-	-
<u>\$ (1,575,650)</u>	<u>\$ (1,575,650)</u>	<u>\$ -</u>	<u>\$ 1,575,650</u>	

Cherokee County, Georgia
Capital Projects Funds
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Resource Recovery Development Authority			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment income	-	-	14,870	14,870
Other	142,236	142,236	59,265	(82,971)
Total revenues	142,236	142,236	74,135	(68,101)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	14,850	14,850	-
Intergovernmental	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,757,500	3,264,923	3,290,000	(25,077)
Interest and fiscal charges	150,380	150,380	125,304	25,076
Total expenditures	2,907,880	3,430,153	3,430,154	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,765,644)	(3,287,917)	(3,356,019)	(68,102)
Other Financing Sources (Uses)				
Transfers in	2,765,644	2,765,644	2,443,751	(321,893)
Transfers out	-	-	-	-
Total other financing sources (uses)	2,765,644	2,765,644	2,443,751	(321,893)
Net Change in Fund Balances	-	(522,273)	(912,268)	(389,995)
Fund Balances Beginning of Year	912,268	912,268	912,268	-
Fund Balances End of Year	\$ 912,268	\$ 389,995	\$ -	\$ (389,995)

Impact Fees			
Budget		Actual	Variance With Final Budget
Original Budget	Final Budget		
\$ 290,000	\$ 290,000	\$ 276,188	\$ (13,812)
2,043,995	2,043,995	3,291,887	1,247,892
8,977	8,977	42,549	33,572
-	-	-	-
<u>2,342,972</u>	<u>2,342,972</u>	<u>3,610,624</u>	<u>1,267,652</u>
52,610	52,610	79,101	(26,491)
483,262	483,262	482,262	1,000
-	-	-	-
100,000	100,000	-	100,000
1,700,000	1,700,000	-	1,700,000
-	-	-	-
-	-	-	-
<u>2,335,872</u>	<u>2,335,872</u>	<u>561,363</u>	<u>1,774,509</u>
7,100	7,100	3,049,261	3,042,161
-	-	-	-
-	(1,000,000)	(1,000,000)	-
-	(1,000,000)	(1,000,000)	-
7,100	(992,900)	2,049,261	3,042,161
8,576,705	8,576,705	8,576,705	-
<u>\$ 8,583,805</u>	<u>\$ 7,583,805</u>	<u>\$ 10,625,966</u>	<u>\$ 3,042,161</u>

Cherokee County, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2022

	Debt Service			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ 6,207,080	\$ 6,207,632	\$ 6,235,764	\$ 28,132
Other	116,000	116,000	99,106	(16,894)
Total revenues	6,323,080	6,323,632	6,334,870	11,238
Expenditures				
Debt service:				
Principal	5,175,000	5,175,000	5,175,000	-
Interest and fiscal charges	1,068,736	1,069,288	1,069,287	1
Total expenditures	6,243,736	6,244,288	6,244,287	1
Net Change in Fund Balances	79,344	79,344	90,583	11,239
Fund Balances Beginning of Year	(145,684)	(145,684)	(145,684)	-
Fund Balances End of Year	\$ (66,340)	\$ (66,340)	\$ (55,101)	\$ 11,239

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2022

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods (1)	Current Fiscal Year	Total
2005					
Special Local Option Sales Tax V	\$ 225,000,000	\$ 184,078,731	\$ 182,497,579	\$ 250,000	\$ 182,747,579
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
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			2,100,307	250,000	2,350,307
Public safety facilities & equipment			21,799,706	-	21,799,706
New emergency children's shelter			831,525	-	831,525
New driver's license facility			1,658,083	-	1,658,083
Renovation to old Woodstock Elementary School			469,624	-	469,624
Senior center expansion			352,669	-	352,669
Airport			20,082,413	-	20,082,413
Total SPLOST expenditures			\$ 182,497,579	\$ 250,000	\$ 182,747,579

(1) Expenditures funded by revenue sources other than SPLOST in years prior to fiscal year 2022 are excluded.

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2022

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods (1)	Current Fiscal Year	Total
2012					
Special Local Option Sales Tax VI	\$ 185,525,000	\$ 208,000,559	\$ 193,606,484	\$ 15,436,704	\$ 209,043,188
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			4,835,852	-	4,835,852
Development Authority of Cherokee County			6,482,901	-	6,482,901
Total intergovernmental			63,106,379	-	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			4,330,606	-	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			1,012,166	7,351	1,019,517
Jail expansion/enhancements			17,026,510	7,160	17,033,670
Marshal			256,591	-	256,591
Parks Recreation Center			697,875	8,814,389	9,512,264
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			77,969,877	6,607,804	84,577,681
Total SPLOST expenditures			\$ 193,606,484	\$ 15,436,704	\$ 209,043,188
Total expenditures				\$ 15,436,704	

(1) Expenditures funded by revenue sources other than SPLOST in years prior to fiscal year 2022 are excluded.

Cherokee County, Georgia
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Year Ended September 30, 2022

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods (1)	Current Fiscal Year	Total
2018					
Special Local Option Sales Tax VII	\$ 252,961,892	\$ 299,820,463	\$ 130,401,648	\$ 70,927,808	\$ 201,329,456
2018 Projects:					
City of Ball Ground			\$ 1,862,473	\$ 757,187	\$ 2,619,660
City of Canton			15,087,477	6,133,804	21,221,281
City of Holly Springs			6,439,250	2,617,872	9,057,122
City of Mountain Park			25,000	-	25,000
City of Nelson			649,700	264,135	913,835
City of Walesa			1,588,156	645,664	2,233,820
City of Woodstock			17,686,278	7,190,345	24,876,623
Cherokee County Airport Authority			759,354	-	759,354
Historical Society			500,000	-	500,000
Economic Development			2,950,066	4,248,425	7,198,491
Total intergovernmental			47,547,754	21,857,432	69,405,186
CATS			20,416	43,481	63,897
Courthouse facilities, equipment, improvements, and expansion			1,008,861	186,039	1,194,900
Emergency communication center and system improvements			9,829,615	3,017,338	12,846,953
Fire/Emergency Services facilities, vehicles, and equipment			6,341,988	4,563,943	10,905,931
General Facilities			-	217,693	217,693
IT Upgrade			702,167	50,952	753,119
Jail expansion/enhancements			21,934,954	216,941	22,151,895
Animal Control and County Marshal vehicles and equipment			395,475	237,673	633,148
Parks and Recreation facilities, equipment, and improvements			6,454,316	6,653,396	13,107,712
Law enforcement vehicles, equipment and facilities			5,288,494	1,112,454	6,400,948
Transportation facility and equipment			30,877,608	32,770,466	63,648,074
Total SPLOST expenditures			\$ 130,401,648	\$ 70,927,808	\$ 201,329,456

(1) As revised.

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, 2022

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Assets			
Current assets			
Cash	\$ 90,651	\$ -	\$ 90,651
Receivables, net of allowance	-	1,249,928	1,249,928
Inventories	71,364	-	71,364
Total current assets	<u>162,015</u>	<u>1,249,928</u>	<u>1,411,943</u>
Noncurrent assets			
Capital assets, net of depreciation	<u>1,160,381</u>	-	<u>1,160,381</u>
Total assets	<u>1,322,396</u>	<u>1,249,928</u>	<u>2,572,324</u>
Deferred Outflows of Resources			
Deferred outflows relating to pension	<u>255,783</u>	-	<u>255,783</u>
Total deferred outflows of resources	<u>255,783</u>	<u>-</u>	<u>255,783</u>
Liabilities			
Current liabilities			
Accounts payable	122,191	18,750	140,941
Accrued liabilities	35,652	14,522	50,174
Due to other funds	-	802,590	802,590
Compensated absences, due within one year	21,252	-	21,252
Total current liabilities	<u>179,095</u>	<u>835,862</u>	<u>1,014,957</u>
Long-term Liabilities (net of current portion)			
Compensated absences, due in more than one year	49,589	-	49,589
Net pension liability	497,917	-	497,917
Total long-term liabilities	<u>547,506</u>	<u>-</u>	<u>547,506</u>
Total Liabilities	<u>726,601</u>	<u>835,862</u>	<u>1,562,463</u>
Deferred Inflows of Resources			
Deferred inflows relating to pension	<u>113,167</u>	-	<u>113,167</u>
Total deferred inflows of resources	<u>113,167</u>	<u>-</u>	<u>113,167</u>
Net Position			
Investment in capital assets	1,160,381	-	1,160,381
Unrestricted (deficit)	<u>(421,970)</u>	<u>414,066</u>	<u>(7,904)</u>
Total Net Position	<u>\$ 738,411</u>	<u>\$ 414,066</u>	<u>\$ 1,152,477</u>

Cherokee County, Georgia
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2022

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 2,329,463	\$ 23,879,098	\$ 26,208,561
Miscellaneous revenue	96,650	1,768,827	1,865,477
	<u>2,426,113</u>	<u>25,647,925</u>	<u>28,074,038</u>
Total operating revenues			
Operating Expenses			
Personal services and employee benefits	1,004,809	234,741	1,239,550
Contractual services	69,278	2,556,857	2,626,135
Claims paid	-	22,623,324	22,623,324
Supplies	1,366,663	-	1,366,663
Depreciation	42,699	-	42,699
	<u>2,483,449</u>	<u>25,414,922</u>	<u>27,898,371</u>
Total operating expenses			
Change in net position	(57,336)	233,003	175,667
Net Position (Deficit) Beginning of Year	<u>795,747</u>	<u>181,063</u>	<u>976,810</u>
Net Position (Deficit) End of Year	<u>\$ 738,411</u>	<u>\$ 414,066</u>	<u>\$ 1,152,477</u>

Cherokee County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2022

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Receipts from other funds	\$ 2,272,202	\$ 25,414,387	\$ 27,686,589
Payments to employees	(977,373)	(234,741)	(1,212,114)
Payments to suppliers for services provided	(1,204,178)	(25,179,646)	(26,383,824)
Net Cash Provided by (Used in) Operating Activities	<u>90,651</u>	<u>-</u>	<u>90,651</u>
Net Increase (Decrease) in Cash and Cash Equivalents	90,651	-	90,651
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u>\$ 90,651</u>	<u>\$ -</u>	<u>\$ 90,651</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ (57,336)	\$ 233,003	\$ 175,667
Adjustments -			
Depreciation	42,699	-	42,699
(Increase) Decrease in:			
Accounts receivable	-	687,029	687,029
Prepaid items	1,847	-	1,847
Inventories	148,112	-	148,112
Deferred outflows of resources	24,085	-	24,085
Increase (Decrease) in:			
Accounts payable	76,661	(5,673)	70,988
Accrued expenses	5,143	6,208	11,351
Due to other funds	(153,911)	(920,567)	(1,074,478)
Compensated absences payable	13,335	-	13,335
Net pension liability	(52,071)	-	(52,071)
Deferred inflows of resources	42,087	-	42,087
Net Cash Provided by (Used in) Operating Activities	<u>\$ 90,651</u>	<u>\$ -</u>	<u>\$ 90,651</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, 2022

	<u>Tax Commissioner</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>Clerk of Superior Court</u>	<u>Clerk of State Court</u>	<u>Sheriff</u>	<u>Total</u>
Assets							
Cash	\$ 16,352,247	\$ 156,614	\$ -	\$ 9,363,811	\$ 73,604	\$ 498,511	\$ 26,444,787
Taxes and other receivables	<u>336,830,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>336,830,800</u>
Total assets	<u>353,183,047</u>	<u>156,614</u>	<u>-</u>	<u>9,363,811</u>	<u>73,604</u>	<u>498,511</u>	<u>363,275,587</u>
Liabilities							
Due to others	16,352,247	156,614	-	906,648	-	28,413	17,443,922
Uncollected taxes	<u>336,830,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>336,830,800</u>
Total liabilities	<u>353,183,047</u>	<u>156,614</u>	<u>-</u>	<u>906,648</u>	<u>-</u>	<u>28,413</u>	<u>354,274,722</u>
Net Position							
Restricted							
Individuals, organizations and other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,457,163</u>	<u>73,604</u>	<u>470,098</u>	<u>9,000,865</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,457,163</u>	<u>\$ 73,604</u>	<u>\$ 470,098</u>	<u>\$ 9,000,865</u>

Cherokee County, Georgia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended September 30, 2022

	<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	\$ 321,098,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 321,098,589
Fines collected for other governments	-	2,212,888	85,001	26,774,914	2,717,666	4,448,813	36,239,282
Total additions	<u>321,098,589</u>	<u>2,212,888</u>	<u>85,001</u>	<u>26,774,914</u>	<u>2,717,666</u>	<u>4,448,813</u>	<u>357,337,871</u>
Deductions							
Payment of taxes to other governments	321,098,589	-	-	-	-	-	321,098,589
Payment of fines to other governments	-	2,212,888	85,001	26,096,011	2,644,062	4,461,979	35,499,941
Total deductions	<u>321,098,589</u>	<u>2,212,888</u>	<u>85,001</u>	<u>26,096,011</u>	<u>2,644,062</u>	<u>4,461,979</u>	<u>356,598,530</u>
Change in net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>678,903</u>	<u>73,604</u>	<u>(13,166)</u>	<u>739,341</u>
Net Position Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,778,260</u>	<u>-</u>	<u>483,264</u>	<u>8,261,524</u>
Net Position End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,457,163</u>	<u>\$ 73,604</u>	<u>\$ 470,098</u>	<u>\$ 9,000,865</u>

Development Authority of Cherokee County
Balance Sheet
September 30, 2022

<hr/> <hr/>	
Assets	
Cash	\$ 2,511,640
Accounts receivable, net of allowance	131,885
Prepaid items	<u>27,323</u>
Total Assets	<u><u>\$ 2,670,848</u></u>
Liabilities and Fund Balance	
and Fund Balance	
Liabilities	
Accrued liabilities	<u>\$ 10,811</u>
Total Liabilities	<u>10,811</u>
Fund Balances	
Nonspendable:	
Prepaid items	27,323
Unassigned	<u>2,632,714</u>
Total Fund Balances	<u>2,660,037</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,670,848</u></u>

Development Authority of Cherokee County
Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended September 30, 2022

Revenues	
Intergovernmental	\$ 5,561,106
Charges for services	450,412
Investment earnings	5,425
Contributions	<u>71,321</u>
Total revenues	<u>6,088,264</u>
Expenditures	
Current:	
Housing and development	<u>5,984,103</u>
Total expenditures	<u>5,984,103</u>
Net change in fund balances	104,161
Fund balances, beginning of year	<u>2,555,876</u>
Fund balances, end of year	<u><u>\$ 2,660,037</u></u>

CHEROKEE COUNTY, GEORGIA

STATISTICAL SECTION

This part of Cherokee County's annual comprehensive 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 annual comprehensive financial report for the relevant year.

CHEROKEE COUNTY, GEORGIA

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

	2013	2014 (Restated)	2015 (Restated)	2016	2017 (Restated)	2018	2019 (Restated)	2020	2021	2022
Governmental Activities										
Invested in Capital Assets, net of related debt	\$ 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	\$ 903,595,423
Restricted	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	66,362,884
Unrestricted	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)	(13,023,715)
Total Governmental Activities Net Position	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	956,934,592
Business type Activities										
Invested in Capital Assets, net of related debt	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	5,315,897
Unrestricted	1,145,475	(818,727)	(227,478)	(536,760)	(838,779)	(365,423)	(997,572)	(1,839,300)	(2,082,827)	(1,575,176)
Total Business-type Activities Net Position	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	3,740,721
Primary Government										
Invested in Capital Assets, net of related debt	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	908,911,320
Restricted	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	66,362,884
Unrestricted	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)	(14,598,891)
Total Primary Government Net Position	\$ 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	\$ 960,675,313

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)**

	2013	2014 (Restated)	2015 (Restated)	2016	2017 (Restated)	2018	2019 (Restated)	2020	2021	2022
Expenses:										
Governmental Activities:										
General government	\$ 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	\$ 21,915,246
Judicial	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	25,615,160
Public safety	54,865,533	66,261,519	65,943,729	76,378,048	75,658,791	77,095,202	89,155,566	100,193,828	105,509,990	117,968,861
Public works	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	80,271,097
Health and welfare	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	4,685,924
Culture and recreation	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	13,201,458
Housing and development	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	14,742,550
Interest on long-term debt	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	1,170,153
Total Governmental Activities	<u>153,481,345</u>	<u>175,637,270</u>	<u>186,051,251</u>	<u>187,972,495</u>	<u>193,056,798</u>	<u>198,585,922</u>	<u>219,595,264</u>	<u>237,783,330</u>	<u>242,631,807</u>	<u>279,570,449</u>
Business-type Activities:										
Emergency medical services	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	12,159,301
Conference center	373,815	361,476	372,621	538,245	482,077	413,617	437,894	432,137	896,024	509,824
Total Business-type Activities	<u>7,564,206</u>	<u>8,518,643</u>	<u>5,819,037</u>	<u>7,108,647</u>	<u>7,620,489</u>	<u>7,178,406</u>	<u>9,444,571</u>	<u>10,275,069</u>	<u>11,273,985</u>	<u>12,669,125</u>
Total Primary Government	<u>161,045,551</u>	<u>184,155,913</u>	<u>191,870,288</u>	<u>195,081,142</u>	<u>200,677,287</u>	<u>205,764,328</u>	<u>229,039,835</u>	<u>248,058,399</u>	<u>253,905,792</u>	<u>292,239,574</u>
Program Revenues										
Governmental Activities										
Charges for services										
General government	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	10,072,262
Judicial	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	7,063,720
Public safety	7,123,356	7,376,078	7,515,011	8,286,895	6,646,068	7,086,267	6,800,472	6,782,372	7,352,927	7,916,061
Public works	3,055,124	2,718,762	3,079,966	4,247,236	4,098,942	4,050,318	4,856,480	5,290,544	7,352,716	8,593,378
Health and welfare	347,365	388,944	370,917	370,667	375,965	447,115	462,406	279,989	244,171	538,855
Culture and recreation	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	2,936,966
Housing and development	1,656,272	1,800,287	2,293,281	-	-	-	-	-	-	-
Operating grants and contributions	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	40,701,834
Capital grants and contributions	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	9,679,062
Total Governmental Activities	<u>38,764,917</u>	<u>38,055,519</u>	<u>43,722,482</u>	<u>50,616,365</u>	<u>45,079,443</u>	<u>54,609,344</u>	<u>64,792,027</u>	<u>67,617,150</u>	<u>61,853,601</u>	<u>87,502,138</u>
Business-type Activities:										
Emergency medical services:										
Charges for services	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	6,002,024
Operating grants and contributions	6,750	21,577	-	-	-	-	-	134,153	-	-
Capital grants and contributions	50,000	-	-	42,165	14,121	34,522	18,600	-	-	-
Conference Center:										
Charges for services	18,874	15,200	16,243	344,779	328,853	294,515	286,018	210,103	164,542	315,784
Operating grants and contributions	96,000	21,000	21,000	21,000	21,000	21,000	21,000	63,000	-	-
Total Business-type Activities	<u>6,260,063</u>	<u>7,292,338</u>	<u>3,947,212</u>	<u>5,405,056</u>	<u>5,681,661</u>	<u>5,051,163</u>	<u>5,586,573</u>	<u>5,662,837</u>	<u>5,771,633</u>	<u>6,317,808</u>
Total Primary Government	<u>45,024,980</u>	<u>45,347,857</u>	<u>47,669,694</u>	<u>56,021,421</u>	<u>50,761,104</u>	<u>59,660,507</u>	<u>70,378,600</u>	<u>73,279,987</u>	<u>67,625,234</u>	<u>93,819,946</u>
Net (Expenses) Revenue										
Governmental Activities	(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)	(192,068,311)
Business-type Activities	(1,304,143)	(1,226,305)	(1,878,265)	(1,703,591)	(1,938,828)	(2,127,243)	(3,857,998)	(4,612,232)	(5,502,352)	(6,351,317)
Total Primary Government Net Expense	<u>(116,020,571)</u>	<u>(138,808,056)</u>	<u>(144,200,594)</u>	<u>(139,059,721)</u>	<u>(149,916,183)</u>	<u>(146,103,821)</u>	<u>(158,661,235)</u>	<u>(174,778,412)</u>	<u>(186,280,558)</u>	<u>(198,419,628)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property taxes	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	122,863,066
Alcoholic beverage taxes	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	1,259,662
Vehicle taxes	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	2,405,668
Sales taxes	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	62,530,022
Insurance premium taxes	7,225,640	7,626,040	8,166,299	8,689,185	9,300,914	10,029,142	10,720,235	11,380,706	11,815,774	13,789,717
Other taxes	154,289	180,523	210,530	207,340	214,232	211,797	338,415	224,791	345,018	568,709
Miscellaneous revenues	3,182,618	2,275,918	7,140,853	1,870,842	1,554,392	1,769,508	1,722,368	1,208,500	1,250,953	1,474,279
Unrestricted investment earnings	33,754	99,927	129,993	261,309	513,058	1,036,245	1,938,331	1,026,720	84,757	851,279
Gain/(loss) on sale of capital assets	-	-	-	-	-	127,757	-	-	-	-
Loss on capital lease receivable	-	-	-	-	-	-	-	-	-	-
Transfers	(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)	(9,189,915)
Total Governmental Activities	<u>110,252,466</u>	<u>114,600,245</u>	<u>126,184,558</u>	<u>127,671,784</u>	<u>135,666,016</u>	<u>143,788,106</u>	<u>154,843,913</u>	<u>165,901,128</u>	<u>183,582,781</u>	<u>196,552,487</u>
Business-type Activities										
Miscellaneous revenues	325,106	272,953	273,414	-	-	-	-	-	-	-
Gain/(loss) on disposal of capital assets	13,750	8,100	-	4,000	-	-	-	-	-	-
Transfers	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	9,189,915
Total Business-type Activities	<u>2,042,771</u>	<u>1,203,718</u>	<u>2,913,404</u>	<u>2,912,449</u>	<u>1,581,823</u>	<u>2,246,488</u>	<u>2,970,473</u>	<u>4,730,509</u>	<u>4,720,086</u>	<u>9,189,915</u>
Total Primary Government	<u>112,295,237</u>	<u>115,803,963</u>	<u>129,097,962</u>	<u>130,584,233</u>	<u>137,247,839</u>	<u>146,034,594</u>	<u>157,814,386</u>	<u>170,631,637</u>	<u>188,302,867</u>	<u>205,742,402</u>
Change in Net Position										
Governmental Activities	(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	4,484,176
Business-type Activities	738,628	(22,587)	1,041,595	1,208,858	(157,005)	119,245	(887,525)	118,277	(782,266)	2,838,598
Total Primary Government	<u>(3,725,334)</u>	<u>(23,004,093)</u>	<u>(15,102,616)</u>	<u>(8,475,488)</u>	<u>(12,668,344)</u>	<u>(69,227)</u>	<u>(846,849)</u>	<u>(4,146,775)</u>	<u>2,022,309</u>	<u>7,322,774</u>
Net Position, beginning of year, as restated	<u>1,060,891,301</u>	<u>1,020,753,922</u>	<u>998,145,768</u>	<u>983,043,136</u>	<u>969,317,836</u>	<u>956,649,492</u>	<u>956,323,854</u>	<u>955,477,005</u>	<u>951,330,230</u>	<u>953,352,539</u>
Net Position, end of year	<u>\$ 1,057,165,967</u>	<u>\$ 997,749,829</u>	<u>\$ 983,043,136</u>	<u>\$ 974,567,648</u>	<u>\$ 956,649,492</u>	<u>\$ 956,580,265</u>	<u>\$ 955,477,005</u>	<u>\$ 951,330,230</u>	<u>\$ 953,352,539</u>	<u>\$ 960,675,313</u>

[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

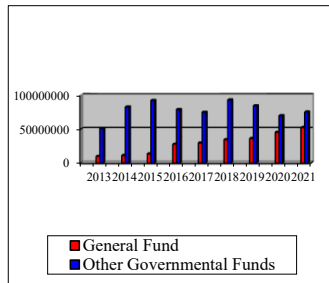
	2013	2014	Restated 2015	2016	Restated 2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable:										
Prepays	\$ 100,272	\$ 72,645	\$ 75,669	\$ 277,606	\$ 265,642	\$ 301,379	\$ 285,958	\$ 26,625	\$ 424,133	\$ 87,486
Advances from other funds	-	-	-	500,000	-	-	-	-	-	-
Inventory	16,432	36,614	16,757	5,349	37,466	-	107,553	-	4,386	12,077
Assigned for use in subsequent budget	-	-	-	-	-	-	-	-	-	-
Unassigned	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	66,584,346
Total General Fund	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	66,683,909
All Other Governmental Funds										
Nonspendable:										
Prepays	414,632	342,438	351,894	362,125	334,485	288,317	29,057	43,720	91,391	43,076
Advances from Other Funds	-	-	500,000	-	-	-	-	-	-	-
Inventory	-	-	395,939	804,091	517,017	469,441	447,349	401,510	397,446	384,399
Restricted:										
Law library operations	642,423	657,910	590,095	561,679	585,268	541,706	534,301	494,949	528,015	431,350
Senior services	46,352	16,310	20,175	26,895	146,606	267,868	353,268	307,428	413,367	340,928
Public safety	1,157,181	338,761	152,787	90,165	191,819	138,229	210,851	449,622	389,847	458,526
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	1,222,905
SPLOST projects	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	27,630,887
Donations for improvements	28,834	-	-	-	-	-	-	-	-	-
Grant activities	148,199	411,560	600,514	615,484	513,080	535,036	552,798	475,154	480,049	290,514
Jail operation and maintenance	986,710	1,011,153	1,020,298	771,302	826,431	954,356	1,071,632	697,070	586,597	387,447
E911 operations	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	4,082,150
Hotel/Motel tax	-	592,744	-	-	-	-	-	-	-	-
Impact fees - library projects	527,456	699,631	950,600	1,201,530	1,422,710	1,646,867	1,876,478	2,172,816	2,501,421	2,845,938
Impact fees - fire projects	668,982	782,975	947,438	1,540,006	636,141	787,154	920,319	1,286,557	2,160,871	1,622,145
Impact fees - park projects	860,450	457,013	709,959	896,405	420,846	735,347	1,048,794	1,441,401	1,873,568	3,406,541
Impact fees - public safety facility projects	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	528,633
Impact fees - road projects	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	518,819
Impact fees - administration projects	151,215	344,958	383,851	351,507	400,549	433,907	490,980	500,204	477,991	457,445
Impact fees - Canton fire stations	-	-	-	583,713	636,098	287,735	270,953	547,587	965,360	1,246,445
Health and welfare	9,173	-	89,290	179,445	130,742	329,680	516,196	647,624	635,693	736,988
Debt service	769,088	1,302,487	700,780	180,029	712,020	853,983	888,196	817,267	912,268	-
Cultural and recreation construction	9,623,342	24,204,697	20,056,462	10,961,838	1,238,653	230,888	-	-	-	-
Unincorporated services	4,883,151	8,446,953	10,290,986	**	**	**	**	**	**	**
Fire protection services	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	11,177,578
Committed:										
Jail and inmate services	24,386	29,637	51,919	243,618	453,562	642,412	675,410	507,172	358,265	537,228
Animal services	70,713	34,312	55,923	298,110	350,616	406,601	***	***	***	***
Park and recreation activities	442,890	408,684	281,298	487,980	358,846	426,041	512,741	462,005	890,689	1,286,481
Unassigned	(27,666)	(7,652)	(2,891)	(178)	-	-	(47,816)	(138,917)	(272,609)	(97,484)
Total All Other Governmental Funds	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	59,538,939
Total All Governmental Funds	\$ 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	\$ 126,222,848

** 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)**

	2013	2014	Restated 2015	2016	Restated 2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 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	\$ 203,698,720
Licenses and permits	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	3,850,361
Fines and penalties	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	6,513,645
Charges for services	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	26,484,150
Intergovernmental	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	44,259,785
Investment earnings	45,472	123,887	203,479	413,581	881,925	1,955,808	3,433,656	1,608,487	117,410	1,110,262
Other revenues	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	1,718,660
Total revenues	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	287,635,583
Expenditures										
General government	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	23,711,341
Judicial	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	24,761,135
Public safety	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	108,813,927
Public works	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	14,635,745
Health and welfare	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	5,072,462
Culture and recreation	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	9,263,880
Housing and development	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	10,563,138
Intergovernmental	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	22,136,432
Capital Outlay	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	54,788,034
Debt Service:										
Principal	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	8,890,525
Bond issuance costs	1,550	194,384	2,279	243,004	550	-	-	-	-	-
Interest	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	1,216,340
Total expenditures	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	283,852,959
Excess (deficiency) of revenues over (under) expenditures	(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	3,782,624
Other Financing Sources (Uses)										
Proceeds from bond issues	-	22,823,000	-	-	-	-	-	-	-	-
Proceeds from refunded bonds	-	-	-	28,450,000	-	-	-	-	-	-
Proceeds from financed purchase	-	-	-	607,524	215,476	1,065,953	611,701	108,933	40,884	232,232
Proceeds from sale of assets	42,427	760,320	422,439	94,290	323,001	99,271	32,107	354,841	1,936,034	235,903
Payment to refunded bond escrow	-	-	-	(28,201,489)	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	197,308	472,630	127,472	174,464	113,014	200,953
Transfers in	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	17,197,281
Transfers out	(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)	(23,170,053)
Total other financing sources (uses)	(756,722)	22,660,655	(1,581,811)	(437,249)	(860,415)	(608,634)	(2,199,193)	(2,791,266)	(2,630,154)	(5,303,684)
Net Change in Fund Balance	(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	(1,521,060)
Fund Balances, beginning of the year (restated)	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	127,743,908
Fund Balances, end of year	\$ 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	\$ 126,222,848
Debt service as a percentage of noncapital expenditures	12.23%	5.34%	5.88%	6.10%	7.74%	4.95%	6.80%	5.35%	3.95%	4.52%

CHEROKEE COUNTY, GEORGIA

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

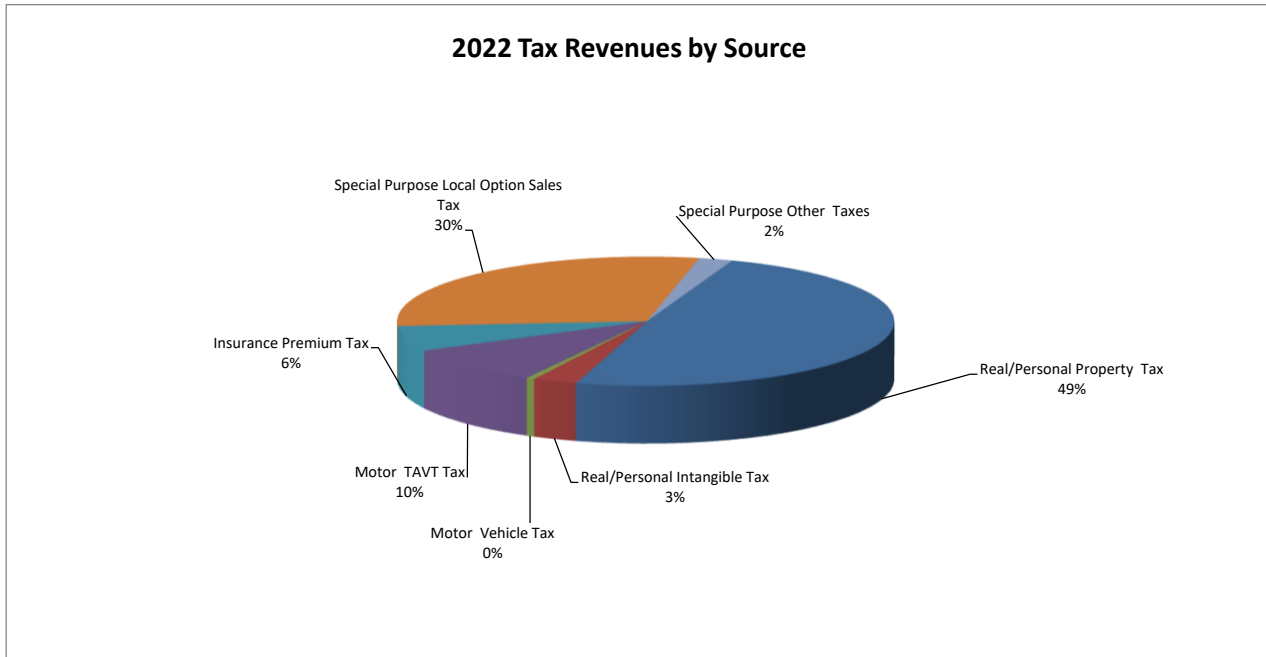
<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Primary Government:										
Governmental Activities:										
General government	\$ 4,868,288	\$ 4,584,286	\$ 4,902,176	\$ 7,524,359	\$ 8,004,882	\$ 8,671,818	\$ 8,840,532	\$ 9,068,814	\$ 11,389,552	\$ 31,065,971
Judicial	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	8,743,111
Public safety	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	18,564,217
Public works	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	18,285,366
Health and welfare	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	1,973,491
Culture and recreation	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	3,136,633
Housing and development	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	5,733,349
Total Governmental Activities	<u>38,764,917</u>	<u>38,055,519</u>	<u>43,722,482</u>	<u>50,616,365</u>	<u>45,079,443</u>	<u>54,609,344</u>	<u>64,792,027</u>	<u>67,617,150</u>	<u>61,853,601</u>	<u>87,502,138</u>
Business-type Activities:										
Emergency medical services	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	6,002,024
Conference center	114,874	36,200	37,243	365,779	349,853	315,515	349,018	210,103	164,542	315,784
Total Business-type Activities	<u>6,260,063</u>	<u>7,292,338</u>	<u>3,947,212</u>	<u>5,405,056</u>	<u>5,681,661</u>	<u>5,051,163</u>	<u>5,586,573</u>	<u>5,662,837</u>	<u>5,771,633</u>	<u>6,317,808</u>
Total Primary Government	<u>\$ 45,024,980</u>	<u>\$ 45,347,857</u>	<u>\$ 47,669,694</u>	<u>\$ 56,021,421</u>	<u>\$ 50,761,104</u>	<u>\$ 59,660,507</u>	<u>\$ 70,378,600</u>	<u>\$ 73,279,987</u>	<u>\$ 67,625,234</u>	<u>\$ 93,819,946</u>

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
9/30/2013	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
9/30/2022	98,957,241	4,105,159	956,027	19,126,514	13,789,717	62,530,022	4,234,040	203,698,720



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	
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
2022	13,848,780,364	34,621,950,910	2,109,797,467	5,274,493,668	333,592,048	833,980,120	3,515,528,790	16,292,169,879	40,730,424,698	8.333

* 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	
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
2022	4.995	2.984	0.354	8.333	0.00	16.450	1.500	17.950	26.283

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
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%
2022	1.00%	1.00%	4.00%	6.00%

PRINCIPAL PROPERTY TAXPAYERS
September 30,

Taxpayer	2022			2013		
	Assessed Value	Rank	% of Total Assessment	Assessed Value	Rank	Assessment
Georgia Power	\$ 72,762,545	1	0.45%	\$ 44,587,648	1	0.61%
Cherokee County Development	55,274,175	2	0.34%			
Atlanta Gas	41,541,299	3	0.25%	30,831,065	2	0.42%
Universal Alloy	34,129,224	4	0.21%			
Hudson Capital Cherokee I LLC	32,699,282	5	0.20%	23,463,470	3	0.32%
Cobb EMC	30,740,794	6	0.19%			
Solomon-Woodstock LLC	24,935,920	7	0.15%			
MP the Palmer	24,028,748	8	0.15%	15,989,544	5	0.22%
Cherokee County Develop Auth.	22,400,455	9	0.14%			
Cole Mountain Canton Market Place	21,511,576	10	0.13%			
GLL Selection II Georgia LP				18,026,200	4	0.25%
BellSouth Telecommunications				12,703,462	6	0.17%
CH Realty IV / Woodstock, LLC				11,057,840	7	0.15%
DDRM Riverstone Plaza LLC				11,011,440	8	0.15%
Windstream Georgia Comm Corp				10,417,141	9	0.14%
Sawnee EMC				9,830,697	10	0.13%
	<u>\$ 360,024,018</u>		<u>2.21%</u>	<u>\$ 187,918,507</u>		<u>2.56%</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
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%
2022	108,256,447	6,917,406	6.39%	93,492,483	10-01-22 to 11-30-22	100,409,889	92.75%

Source: Cherokee County Tax Commissioner

CHEROKEE COUNTY, GEORGIA

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

Year of Tax Levy	<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>	<u>9/30/2022</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	3,387
2017	-	229,559	22,501	49,198	46,366	40,375	19,843
2018			531,251	96,010	60,305	52,608	45,905
2019				487,334	91,023	35,602	18,110
2020					403,037	54,709	23,317
2021						327,092	37,921
2022							298,867
TOTAL	\$ 148,729	\$ 304,881	\$ 574,561	\$ 656,339	\$ 615,581	\$ 523,990	\$ 447,350

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	Financed Purchase	Financed Purchase						
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	-	775,032	-	51,241,748	0.31%	188.30	272,130	60,235	
2022	42,018,247	-	-	581,740	-	42,599,988	0.25%	152.45	279,435	60,235 *	

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						
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
2022	42,018,247		-	(55,101)	42,073,348	0.26%	150.57	279,435	16,292,169,879

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 were 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 paid off these loans in 2022.

CHEROKEE COUNTY, GEORGIA

**DIRECT GENERAL OBLIGATION AND
OVERLAPPING GENERAL OBLIGATION AND GUARANTEED REVENUE DEBT
SEPTEMBER 30, 2022**

(Unaudited)

General Obligation Debt:		
2010 Issue	\$ 4,017,000	
2012 Issue	2,420,000	
2014 Issue	15,868,000	
2016 Refunding	<u>19,713,247</u>	
Total General Obligation Debt		42,018,247
Financed Purchase	581,740	581,740
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	<u>-</u>	-
Total Guaranteed Revenue Debt		-
Total Direct Debt		<u>42,599,987</u>
City of Canton	15,659,771	
City of Woodstock	10,461,414	
City of Holly Springs	9,512,704	
City of Ball Ground	2,201,427	
Cherokee County School System	<u>334,911,975</u>	
Total Overlapping Debt		<u>372,747,291</u>
Total Direct and Overlapping Debt		<u>\$ 415,347,278</u>
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	\$ 150.37	
Direct Financed Purchase	2.08	
Direct Guaranteed Revenue Debt	-	
Overlapping General Obligation Debt	<u>1,333.93</u>	
	<u>\$ 1,486.38</u>	

(1) Based on estimated population of 279,435 as provided by the Atlanta Regional Commission.

CHEROKEE COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION

LAST TEN YEARS

(dollars in thousands)

Fiscal Year

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed Value	<u>\$ 7,346,964</u>	<u>\$ 7,922,163</u>	<u>\$ 8,524,130</u>	<u>\$ 9,255,283</u>	<u>\$ 9,631,175</u>	<u>\$ 10,371,179</u>	<u>\$ 11,366,858</u>	<u>\$ 12,251,796</u>	<u>\$ 13,707,480</u>	<u>\$ 16,292,170</u>
Debt Limit: 10% of assessed	734,696	792,216	852,413	925,528	963,118	1,037,118	1,136,686	1,225,180	1,370,748	1,629,217
Less: Debt applicable to debt limit	<u>56,018</u>	<u>75,810</u>	<u>71,658</u>	<u>71,015</u>	<u>66,605</u>	<u>62,034</u>	<u>57,298</u>	<u>52,365</u>	<u>47,275</u>	<u>42,018</u>
Legal Debt Margin	<u>\$ 678,678</u>	<u>\$ 716,406</u>	<u>\$ 780,755</u>	<u>\$ 854,513</u>	<u>\$ 896,513</u>	<u>\$ 975,084</u>	<u>\$ 1,079,388</u>	<u>\$ 1,172,815</u>	<u>\$ 1,323,473</u>	<u>\$ 1,587,199</u>

CHEROKEE COUNTY, GEORGIA

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

(dollars in thousands)

Fiscal Year	Development Authority Revenue Bonds				Special Purpose Local Option Sales Tax Bonds					
	Debt Service				Debt Service					
	Land Sales	Principal	Interest	Coverage	Sales Tax	Less: Projects	Net Available Revenue	Principal	Interest	Coverage
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)	-	-	-
2022	-	-	-	-	62,530	64,478	(1,948)	-	-	-

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
9/30/2013	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	16,391,751	60,235	38.0	41,901	1.70%
9/30/2022	279,435	16,831,767	60,235 *	38.0	41,856	2.40%

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

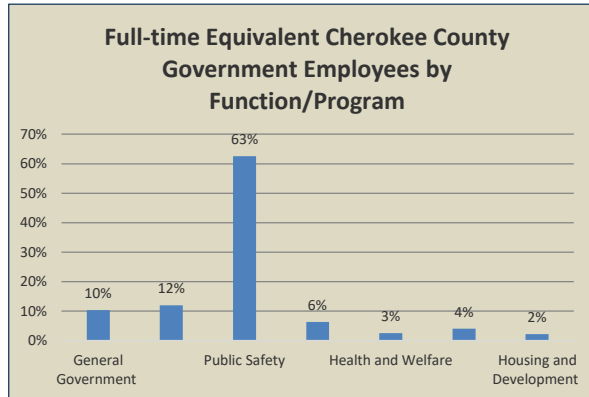
**PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2022			2013		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Cherokee County Schools	5,109	1	3.7%	4383	1	3.8%
Northside-Cherokee Hospital	3,600	2	2.6%	1187	3	1.0%
Cherokee County Government	1,677	3	1.2%	1492	2	1.3%
Publix Supermarkets	1,561	4	1.1%	932	5	0.8%
Wal-Mart Associates, Inc.	1,124	5	0.8%	1060	4	0.9%
Inalfa Roof Systems	1,000	6	0.7%			
Kroger Supermarkets	843	7	0.6%			
Pilgrims Pride Corp.	760	8	0.6%	817	6	0.7%
Home Depot	741	9	0.5%			
Chart Inc.	511	10	0.4%	530	7	0.5%
Target				387	9	0.3%
Piolax Corporation				343	8	0.3%
Universal Alloy Corporation				245	10	0.2%
	<u>16,926</u>		<u>12.3%</u>	<u>11,598</u>		<u>9.8%</u>

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

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	126	127	133	133	138	154	161	164	165	173
Court System	155	161	161	164	178	184	194	195	197	201
Public Safety	745	769	794	816	826	888	924	963	1,001	1,049
Public Works	87	87	91	93	95	101	105	107	106	106
Health and Welfare	32	32	32	28	34	37	38	39	38	43
Culture and Recreation	62	70	71	67	68	69	70	64	72	68
Housing and Development	22	26	26	27	31	33	36	35	35	37
Total	1,229	1,272	1,308	1,328	1,370	1,466	1,528	1,567	1,614	1,677
	1.65%	3.50%	2.83%	1.53%	3.16%	7.01%	4.23%	2.55%	3.00%	3.89%



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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Total registered voters	147,813	147,965	151,842	164,920	163,869	177,683	189,624	197,834	200,870	207,414
Judicial System										
Total criminal dockets	1,844	1,272	1,354	1,128	1,195	1,108	1,407	1,385	1,848	1,466
Total civil cases filed	2,717	2,445	1,354	2,746	2,657	2,464	2,585	2,335	2,297	2,379
Felony arrest warrants	1,657	2,150	2,412	2,671	3,070	3,370	3,679	3,200	3,590	2,947
Marriage licenses issued	1,085	1,142	1,199	1,312	1,379	1,189	1,252	1,460	1,734	1,529
Firearm licenses issued	5,307	4,165	4,813	7,088	4,970	5,937	5,650	7,253	12,237	5,089
Public Safety										
Physical arrests	6,351	5,843	5,848	6,351	5,429	5,739	5,982	4,395	6,084	6,730
Fire emergency responses	18,704	21,074	22,015	24,526	25,765	26,651	27,448	27,732	30,046	31,944
EMS dispatches	13,638	15,073	16,056	16,616	16,842	18,091	18,744	18,695	20,969	22,930
All E-911 calls	317,515	330,337	340,642	343,709	330,933	332,141	324,018	309,717	310,751	397,721
EOC activations	9	7	3	4	10	6	5	8	15	2
Public Works										
Miles maintained	1,290	1,298	1,308	1,318	1,320	1,327	1,334	1,265	1,247	1,251
GDOT LARP/LMIG resurfaced	8	20	9	7	11	43	85	6	17	61
Health and Welfare										
Home delivered meals	39,207	43,754	37,598	38,335	28,900	31,983	32,102	33,977	43,716	48,846
Housing and Development										
Building inspections conducted	8,676	11,252	12,909	17,769	23,624	26,040	32,278	29,200	32,358	39,531
New business licenses	777	790	908	763	624	737	710	673	695	637
Business license renewals	5,316	5,192	4,926	6,113	7,245	5,318	3,834	5,218	4,098	4,940

CHEROKEE COUNTY, GEORGIA

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

<u>Function/Program</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>	<u>2022</u>
Governmental										
Buildings/Land	20	19	19	19	16	24	24	24	25	25
Vehicles	31	32	32	40	40	46	52	48	50	50
Judicial										
Buildings/Land	1	1	1	1	1	1	1	1	1	1
Vehicles	19	19	19	19	22	18	25	26	25	31
Sheriff/Law Enforcement										
Buildings/Training Ctr/Land	11	13	11	11	11	11	12	12	12	12
Vehicles	279	272	267	274	285	284	284	292	342	343
Fire/EMS										
Fire Stations/Training Ctr/Land	21	24	25	26	29	30	30	31	33	34
Vehicles	81	80	81	81	81	86	87	99	99	104
Pumpers/Ladder Trucks	39	40	43	40	41	45	44	44	44	44
Animal Shelter/Animal Control										
Building/Land	2	2	2	2	2	3	4	4	4	4
Vehicles	9	9	10	10	11	12	10	11	10	14
Public Works										
Buildings/Land	9	9	9	10	11	11	12	12	12	12
Street Miles	1,290	1,298	1,308	1,318	1,320	1,327	1,334	1,265	1,247	1,251
Traffic Signals	53	54	54	55	56	56	58	58	58	59
Bridges/Culverts	70	70	70	70	70	70	70	82	78	79
Vehicles	65	68	68	78	74	81	89	86	86	89
Machinery & Equipment	58	57	62	69	71	74	80	78	76	83
Health Welfare										
Buildings/Land	2	3	8	8	8	10	10	10	10	10
Vehicles	6	5	5	8	12	11	14	18	16	20
Culture/Recreation										
Buildings/Land	59	58	59	59	58	59	60	60	62	65
Code Enforcement										
Buildings/Land	3	3	3	3	3	0	0	0	0	0
Vehicles	18	17	18	25	22	25	26	29	27	29
Ball Ground Recycling										
Buildings/Land	6	6	0	0	0	0	0	0	0	0
Machinery & Equipment	44	44	0	0	0	0	0	0	0	0
Total Assets	2,196	2,203	2,174	2,226	2,244	2,284	2,326	2,290	2,317	2,359

Source: Cherokee County Finance Department