

CHEROKEE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2017

PREPARED BY:  
FINANCE DEPARTMENT

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

**CHEROKEE COUNTY, GEORGIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

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 (Unaudited)**

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March 27, 2018

Honorable L.B. Ahrens, Jr., Commission Chairman

Cherokee County Board of Commissioners

And the Citizens of Cherokee County

Gentleman:

State law and local ordinances require that every general purpose local government publish a complete set of audited financial statements each fiscal year. This report, the 2017 Comprehensive Annual Financial Report (CAFR), is published to fulfill that requirement for the fiscal year ended September 30, 2017.

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.

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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, 2017. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.



## Introduction

### Our History

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



*Canton Mill #2*  
Canton, GA

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

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

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

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

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

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



*historic Cherokee County Courthouse*



## Cherokee County Present Day

Cherokee County is perfectly located 30 miles north of Atlanta where “Metro Meets the Mountains.” The county is now 434 square miles in area, and with a population of approximately 243,136, it is the 7<sup>th</sup> largest of Georgia’s 159 counties. When people think of Cherokee County, Georgia, they often think of its rugged beauty and eclectic community. For example, the county boasts over 4,000+/- acres of parks and greenspace. And under the \$90 Million Parks, Recreation, and Greenspace Bond which was successfully approved by the citizens of Cherokee County on the November 4, 2008 election ballot, funds have been used to improve existing parks and develop parks for active recreation and passive enjoyment.

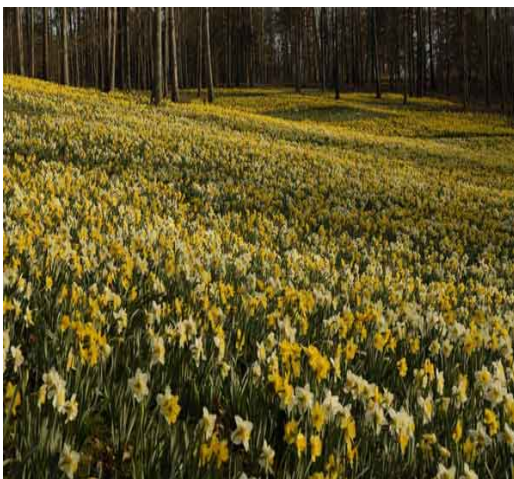
In addition to the county’s natural beauty and recreation, Cherokee County is one of Georgia's most exciting markets. Cherokee County offers a well-educated and well-equipped workforce, and exceptional transportation necessary for sustainable, long-term growth. For professionals and their families, Cherokee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



*Cannon Park, Canton*



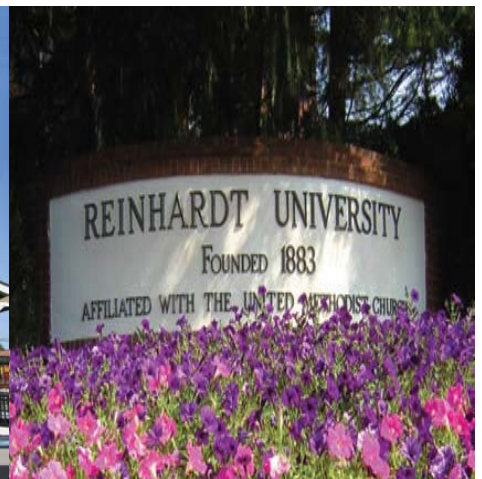
*Downtown Woodstock*



*Gibbs Gardens, Ball Ground*



*Holly Springs Train Depot & Community Center*



*Reinhardt University, Waleska*



## Profile of Government

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

The Board serves as the legislative and policymaking body of the county government. It enacts county ordinances and 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 243,136 citizens and 6,000 businesses. Included in these services are traditional county functions such as public safety (sheriff office, fire protection, and emergency/ambulance services), code enforcement, judicial/court services, planning and zoning, business licenses and building permits, road maintenance, parks and recreation, senior services, animal shelter services, and bus transportation.



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

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

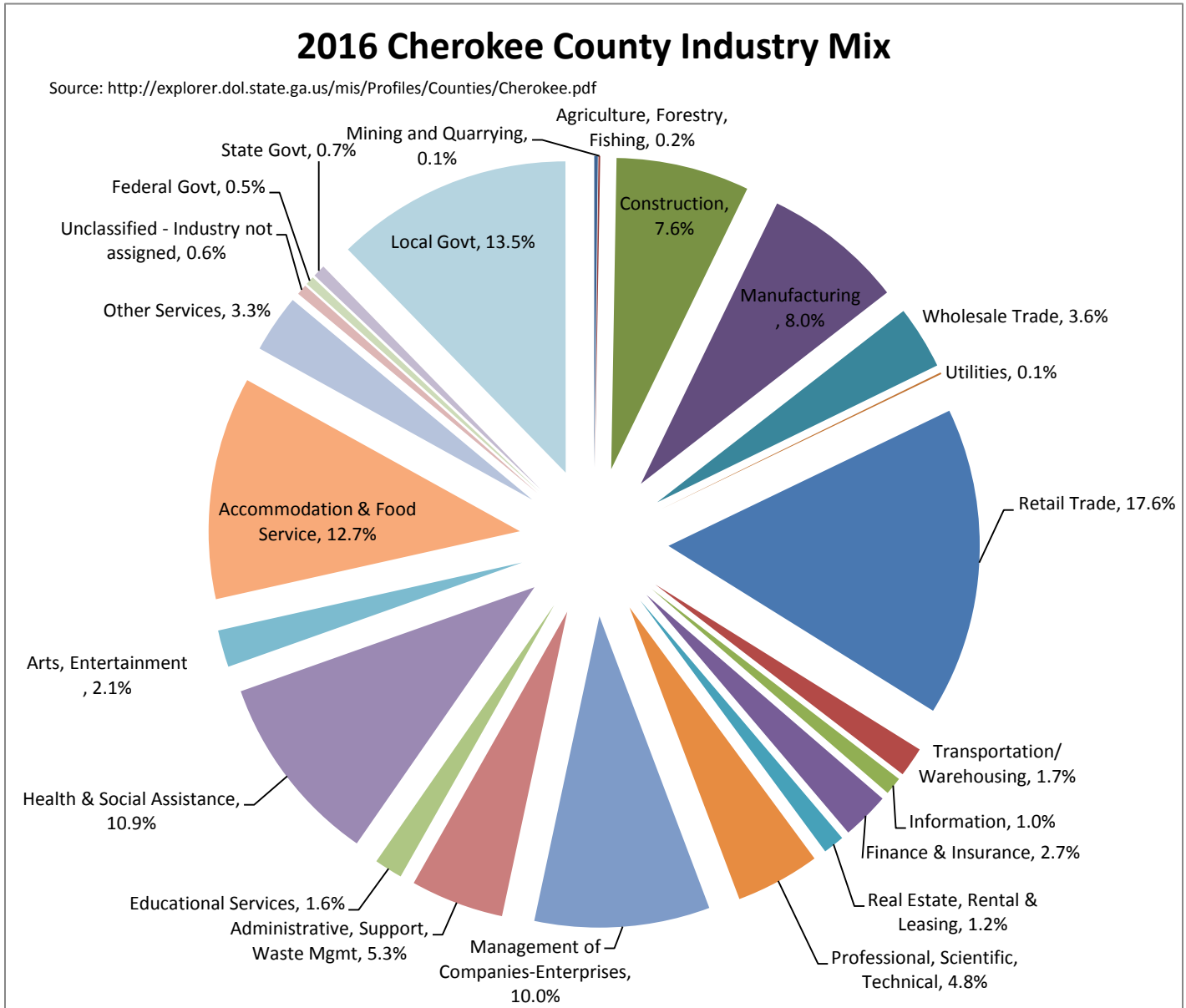




## Local Economy

### INDUSTRY MIX

Cherokee County’s Industry mix is: 69% Services, 16% Goods, and 15% Government.



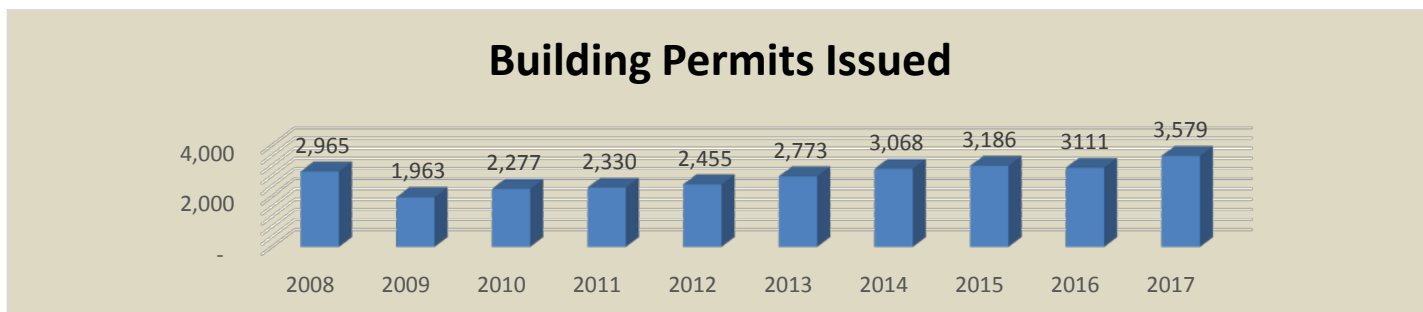
The industry mix has remained relatively unchanged between 2014 to 2016. Over several years, the most significant change Cherokee County has experienced in its industry mix is the decline in the construction business. Between 2000 and 2016, Cherokee’s population grew 69%, which created significant construction opportunities. Near the height of Cherokee’s growth in 2008, the construction industry represented 13.9% of the mix; however, in 2016 it was only 7.6%.

*NOTE: At printing of this report the 2017 County Industry Mix had not yet been published so 2016 is being used instead. We anticipate only minor changes when it is published.*



## **BUILDING PERMITS**

Construction has been steadily increasing in Cherokee County as building permits continue to show a positive trend. The County's low point was 1,963 building permits in 2009 which was driven by the housing recession. Building Permits have shown a steady increase reaching a high of 3,579 permits being issued in 2017. This is an indicator of economic recovery as Cherokee County has experienced positive growth and a return of construction jobs. 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 November 2017, Cherokee County's jobless rate had dropped from 4.1% for the previous year to 3.4% this was .1% lower than Forsyth County. In 2017 Forsyth County tied Cherokee County as the lowest in the metro-Atlanta region. The statewide unemployment rate was 4.3%, in comparison to 4.4% a year ago. Cherokee County was .7% lower than a year ago. The state of Georgia dropped from 5.4% in 2016 to 4.3% in 2017.

## **TAX DIGEST**

Between 2003 - 2008, our Tax Digest increased each year by double-digit percentages. However, like most counties, Cherokee County was negatively impacted by the downturn in the economy beginning in 2008, and by 2012 our Tax Digest had decreased 23% as compared to the 2008 peak. Fortunately, our 2017 Tax Digest increased 8.43%, of which 4.71% was new growth. We anticipate the 2018 Digest will increase approximately 7.5% in total, including 4.0% new growth.

CURRENT 2017 TAX DIGEST AND HISTORY OF LEVY							
	2011	2012	2013	2014	2015	2016	2017
REAL	6,859,719,623	6,246,009,678	6,382,143,754	7,207,313,837	7,920,292,172	8,654,002,944	9,631,169,530
PERSONAL	321,378,768	325,003,272	329,863,024	353,938,885	380,908,234	416,085,312	440,936,267
MOTOR VEHICLES	563,264,880	610,288,270	641,593,210	530,574,960	393,947,430	300,355,630	221,656,730
MOBILE HOMES	15,166,160	14,743,880	13,696,480	13,488,200	13,357,414	14,007,920	14,032,720
TIMBER	485,201	284,156	871,524	1,527,767	666,872	547,150	794,208
GROSS M&O DIGEST	7,760,014,632	7,196,329,256	7,368,167,992	8,106,843,649	8,709,172,122	9,384,998,956	10,308,589,455
LESS M&O EXEMPTIONS	559,628,730	522,421,889	524,486,775	608,219,193	749,979,861	898,710,672	1,106,624,687
NET M&O DIGEST	7,200,385,902	6,673,907,367	6,843,681,217	7,498,624,456	7,959,192,261	8,486,288,284	9,201,964,768
NET M&O DIGEST CHANGE	-5.91%	-7.31%	2.54%	9.57%	6.14%	6.62%	8.43%



## RECENT DEVELOPMENT

### Cherokee County Film Activity

Cherokee County was home to both TV and movie filming projects over the course of 2017. *Diary of a Wimpy Kid* which was filmed in Waleska and *Hangman* with Al Pacino was filmed in Canton. Both of these movies were released in 2017. Other movies filmed in Cherokee County and released in 2017 were *American Made*, *Champion*, and *Thank You for Your Service*. There were also 12 TV episodes and 4 commercials, and 3 music videos filmed in Cherokee County.

Netflix is filming a second season of their series, *Ozark* starring Jason Bateman, in Cherokee County. Filming takes place over much of the county but one primary filming location is the former Little River Grill on Lake Allatoona. The historical buildings in Canton were used for the filming of the movie, *Hidden Figures*. Kevin Costner costarred in the film along with Taraji P. Henson, Octavia Spencer, and Janelle Monae.

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





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

### Deal of the Year

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



### Jaipur Rugs (Cherokee 75 Office Park)

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

### New Northside Hospital Medical Facility

In order to address capacity constraints caused by the growing population, Northside Hospital has relocated to a newly constructed hospital on 300 acres near I-575 and GA Hwy 20. The new site has excellent visibility from major roads and thoroughfares, and there is ample room for further expansion as the community’s needs grow.

The new state-of-the-art, \$286 million, 84-bed facility opened in mid-2017 and created hundreds of new healthcare and office jobs in the county. The hospital received the Hospital of the Year Award from the Georgia Alliance of Community Hospitals.





## New and Expanding Businesses

### **Inalfa Roof Systems**

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

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



### **Universal Alloy Corporation**

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



## Profile of County Population 2017

RACE	Cherokee	Georgia	US
White	79.8%	53.4%	61.3%
Black	6.8%	32.0%	13.3%
Hispanic	10.0%	9.4%	17.8%
Asian	1.9%	4.1%	5.7%
Other	1.5%	1.1%	1.9%
Total	100.0%	100.0%	100.0%

EDUCATION (age25+)	Cherokee	Georgia	US
High School Graduates	89.8%	85.8%	87.0%
Bachelor's Degree or Higher	35.5%	29.4%	30.3%

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

GROWTH	Cherokee	Georgia	US
Population % Change 2010 - 2016	12.8%	6.4%	4.7%

INCOME	Cherokee	Georgia	US
Median Household Income	\$69,809	\$51,037	\$55,322

HOMEOWNERSHIP	Cherokee	Georgia	US
Homeownership Rate	77.3%	62.8%	63.6%

POVERTY	Cherokee	Georgia	US
Persons Below Poverty Level	7.5%	16.0%	12.7%

A strong economy has kept Cherokee County as one of Georgia's fastest growing counties with a 12.8% increase in population from 2010-2016 compared to 6.4% for the state of Georgia and 4.7% for the nation for the same time period. Furthermore, the County is forecast to continue double digit growth and this forecast growth will lead to even higher levels of capital investment in order to meet the community needs.



## Long-Term Financial Planning

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

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

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

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

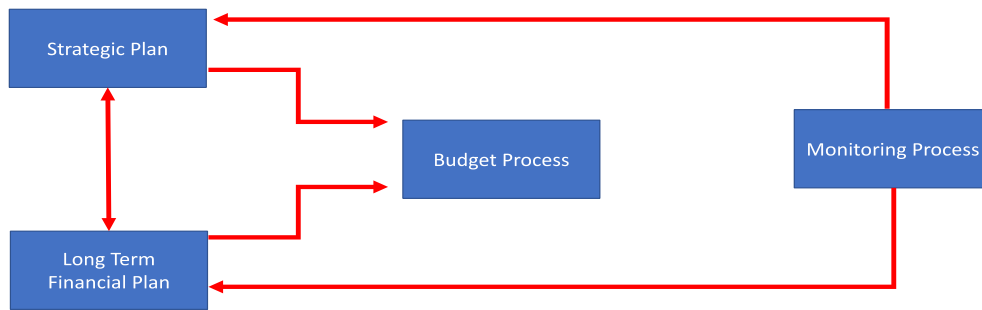
The LTFP consists of a complete strategic financial plan and issue analysis, including all support documents used in developing the LTFP. Financial planning uses forecasts to provide insight into the future financial capacity requirements so that strategies can be developed to achieve long-term goals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

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



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

## The Complete Planning Framework



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

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

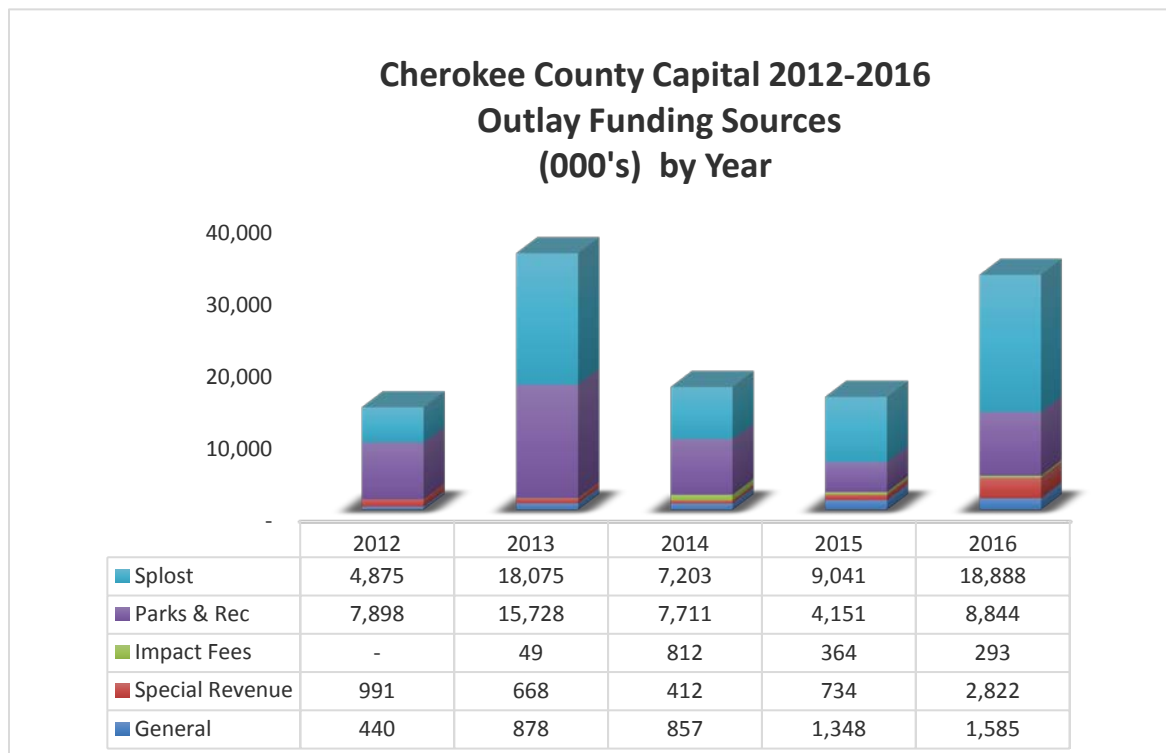
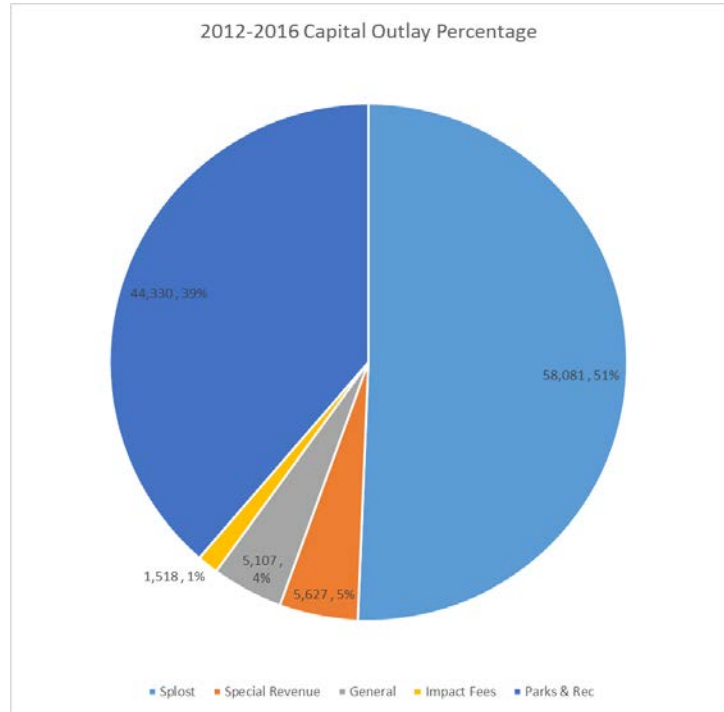
This plan identifies the capital needs of the community over a 5 year period. This plan not only identifies the immediate needs but also seeks to capture longer-term capital needs. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and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

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





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





## OTHER INFORMATION

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

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

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

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



## ***Awards and Acknowledgements***

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



**The Certificate of Achievement for Excellence in Financial Reporting Program** – Cherokee County received the CAFR Program Award for the 5<sup>th</sup> consecutive year in 2017 for the fiscal year ended September 30, 2016. The CAFR award highlights the goal of the County to exhibit transparency and full disclosure in presenting financial reports that are in accordance with Generally Accepted Accounting Principles.



**Distinguished Budget Presentation Award Program** – Cherokee County received the Distinguished Budget Presentation Awards Program in 2017 for the fiscal year ended September 30, 2016 for the first time since 2010. 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 first time in 2017 for the fiscal year ended September 30, 2016. The PAFR is awarded to local governments that extract information from their CAFR to produce a high quality PAFR designed to be readily accessible and easily understandable to the general public.

Respectfully submitted,

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

Jimmy Marquis  
Finance Director



# Cherokee County Government Organizational Chart

Citizens of Cherokee County

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

**Other Elected Officials**

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

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

**Magistrate Court**  
 James Drane, Chief Judge

**Probate Court**  
 Keith Wood, Chief Judge

**Clerk of Courts**  
 Patty Baker, Clerk of Courts

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

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

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

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

**Sheriff**  
*Frank Reynolds*

**Tax Commissioner**  
*Sonya Little*

**Coroner**  
*Earl Darby*

**County Surveyor**  
*Ron Wikle*

**Other Partners**  
 Cherokee Arts Council  
 UGA County Extension Services  
 Historical Society

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

**County Attorney**  
*Angie Davis*  
 Jarrard & Davis, LLP

**County Clerk**  
*Christy Black*  
 Clerk to BOC  
 Office Management  
 Records Management

**County Manager**  
*Jerry W. Cooper*

**Conference Center**  
*Lorrie Keener*  
 EventMark, LLC

**Community Development**  
*Jeff Watkins, Director*  
 Land Use Management  
 Community Planning  
 Building Inspections  
 Development Services Center  
 Business Licenses (Occupational Tax)

**Human Resources**  
*Lori Thompson, Director*  
 Benefits  
 Compensation  
 Employment  
 Training  
 Wellness

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

**Public Works**  
*Geoff Morton, Director*  
 Recycling-Litter Control  
 Engineering  
 Roads & Bridges  
 Stormwater Management  
 CATS - Public Transportation  
 Fleet Management

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



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

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

**Administrative Services**  
*Stacey Williams, Director*  
 Facilities Management  
 Budgeting & Financial Services  
 Purchasing  
 CDBG  
 Capital Program Management  
 Strategic Management

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

**CHEROKEE COUNTY, GEORGIA**  
**LIST OF PRINCIPAL OFFICIALS**  
**SEPTEMBER 30, 2017**

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**Commission Chairman and District Commissioners**

L.B. Ahrens, Jr.  
*Commission Chairman*

Steve West  
Raymond Gunnin  
Bob Kovacs  
K. Scott Gordon

District One  
District Two  
District Three  
District Four

**Constitutional Officers**

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

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

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

**County Administration**

Jerry W. Cooper  
*County Manager*

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

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

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



Government Finance Officers Association

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

Presented to

**Cherokee County  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2016**

*Christopher P. Morrell*

Executive Director/CEO



## NICHOLS, CAULEY & ASSOCIATES, LLC

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

### INDEPENDENT AUDITOR'S REPORT

Cherokee County Board of Commissioners  
Cherokee County, Georgia  
Canton, Georgia

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cherokee County, Georgia (the County), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to error or fraud.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Sequoyah Regional Library System, which represents 37%, 68%, and 18%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements, were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sequoyah Regional Library System is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress, the schedule of changes in the County's net pension liability and related ratios, the schedule of contributions, the schedule of employer's proportionate share of the net pension liability – Cherokee County Board of Health, the schedule of employer's pension contributions – Cherokee County Board of Health, the schedule of employer's proportionate share of the net pension liability – Sequoyah Regional Library System, the schedule of employer's pension contributions – Sequoyah Regional Library System, the General Fund Budgetary Comparison Schedule, and the Fire Fund Budgetary Comparison Schedule on pages 4-15 and 60-69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, the Schedule of Projects Constructed with Special Local Option Sales Tax and other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the Schedule of Projects Constructed with Special Local Option Sales 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 nonmajor fund financial statements and the Schedule of Projects Constructed with Special Local Option Sales Tax are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2018 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 20, 2018

## 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, 2017. 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 \$1,203,454,667, which exceeded its liabilities and deferred inflows of \$241,555,363. In other words, the assets and deferred outflows were five times greater than liabilities and deferred inflows.
- ❖ **Net Position:** Net position is defined as Total Assets + Deferred Outflows – Total Liabilities – Deferred Inflows. The primary government's total net position decreased 1.3% from \$974,567,648 to \$961,899,304. The main driver for the decrease was excess of depreciation expense when compared to capital additions.
- ❖ **Fund Balances:** As of September 30, 2017 the fiscal year-end, Cherokee County's governmental funds reported combined ending fund balances of \$103,919,115. The 2016 fiscal year-end reported a balance of \$106,580,938. This is a net decrease of \$2,661,823, driven mainly by the depletion of bond proceeds. These bond proceeds were kept in the Parks Bond Fund and used in the construction and renovation of county parks and greenspace.
  - Since we follow a pay-as-you-go philosophy in our SPLOST 2012 Fund, we spent significantly less than collected in sales tax revenue which increased the fund balance by \$5,658,007. This balance will be carried over to future years and expended according to the project plan. In addition, all voter approved Parks, Recreation, and Greenspace tranches have been issued, so this year's spending decreased the fund balance by \$9,723,446. Like the SPLOST 2012 Fund, this balance will carry over to future years and be expended according to the project plan.
  - Of the total combined fund balances, \$29,365,899 or 28.3%, is available for spending at the government's discretion (unassigned fund balances). This is a \$2,433,830 improvement over 2016 when \$26,932,069 was unassigned.
  - The fund balance of the General Fund would have been \$4,000,000 higher but this amount was used to pay down the RRDA debt.
  - Cherokee County's General Fund Balance was \$29,669,007. Of this, \$29,365,899 or 99.0% is unassigned and is available for spending at the government's discretion. Unassigned reserves continue to increase over 2016 when \$26,932,247 was unassigned.
- ❖ **Debt:** Bonds Payable decreased from \$85,830,000 to \$77,100,000. This represents a decrease of \$8,730,000 (10.2%). This decrease is comprised of:
  - A decrease in the balance of the 2009, 2010, 2012, 2014, 2016 Parks, Recreation, Greenspace, and Refunding Bonds due to scheduled payments of bond principal totaling \$4,295,000, and
  - The scheduled principal payment of \$435,000 for the RRDA Bonds.
  - In an effort to reduce the low amount of debt the County has amassed a decision was made to remit an additional \$4,000,000 toward reducing the principal of the RRDA Bond balance.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Cherokee County's basic financial statements. Cherokee County's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **1. Government-wide Financial Statements**

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

The *statement of net position* presents information on all of Cherokee County's assets, deferred outflows and liabilities, deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Cherokee County is improving or deteriorating.

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

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

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

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

### **2. Fund Financial Statements**

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

#### **A. Definition of Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Cherokee County maintains 28 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the three major funds: General Fund, Fire District Fund, and SPLOST 2012 Fund (Special Purpose Local Option Sales Tax). Data for the other 25 governmental funds are combined into a single, aggregated presentation, titled "Other Governmental Funds." Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

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

## **B. Definition of Proprietary Funds**

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

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

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

## **C. Definition of Fiduciary Funds**

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

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

## **D. Fund Balance Procedures Under GASB Statement 54**

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

- i. *Nonspendable Fund Balance* – non-cash assets such as inventories or prepaid items.
- ii. *Restricted Fund Balance* – funds legally restricted for specific purposes, such as grant funds.
- iii. *Committed Fund Balance* – amounts that can only be used for specific purposes pursuant to a formal resolution of the Board of Commissioners.
- iv. *Assigned Fund Balance* – amounts intended to be used for specific purposes, either by the Board of Commissioners or the Board’s delegate. (For Cherokee County the Board delegated authority to assign balances to the County Manager).
- v. *Unassigned Fund Balance* – residual spendable fund balance after subtracting all above amounts.

### **3. Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **4. Other Information**

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

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 \$961,899,304 at the close of the most recent fiscal year. Said another way, Cherokee County assets and deferred outflows are five times greater than its liabilities and deferred inflows.

#### Summary of Assets, Liabilities, and Net Position

	Governmental Fund Activities		Business Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current and Other Assets	\$ 196,875,261	\$ 192,280,816	\$ 2,811,537	\$ 2,873,379	\$ 199,686,798	\$ 195,154,195
Capital Assets	981,335,718	998,637,698	3,429,582	3,863,389	984,765,300	1,002,501,087
Total Assets	1,178,210,979	1,190,918,514	6,241,119	6,736,768	1,184,452,098	1,197,655,282
<b>Deferred Outflows</b>	<b>17,844,762</b>	<b>11,637,668</b>	<b>1,157,807</b>	<b>765,639</b>	<b>19,002,569</b>	<b>12,403,307</b>
<b>Liabilities:</b>						
Current Liabilities	29,427,141	25,728,613	771,649	915,238	30,198,790	26,643,851
Long Term Liabilities	131,671,929	133,770,372	3,657,653	3,260,540	135,329,582	137,030,912
Total Liabilities & Deferred Inflows	161,099,070	159,498,985	4,429,302	4,175,778	165,528,372	163,674,763
<b>Deferred Inflows</b>	<b>76,026,991</b>	<b>71,816,178</b>	<b>-</b>	<b>-</b>	<b>76,026,991</b>	<b>71,816,178</b>
<b>Net Position:</b>						
Investment in capital assets, net of related debt	903,790,353	922,812,280	3,429,582	3,863,389	907,219,935	926,675,669
Restricted	71,835,012	66,862,941	-	-	71,835,012	66,862,941
Unrestricted	(16,695,685)	(18,434,202)	(459,958)	(536,760)	(17,155,643)	(18,970,962)
Total Net Position	\$ 958,929,680	\$ 971,241,019	\$ 2,969,624	\$ 3,326,629	\$ 961,899,304	\$ 974,567,648

By far the largest portion of Cherokee County's net position, \$907,219,935 or 94.3%, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. Cherokee County uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Cherokee County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### 2. Statement of Activities

As compared to 2016, revenue from governmental activities increased \$1,130,684 or .6%. This difference is misleading because it is made of the combination of several factors. There was a \$6.5M reduction in Capital Grants. This amount was lower than last year because we received fewer roads from new subdivisions to add to inventory than was received in 2016. The County itself creates very few new roads each year, we mainly improve or maintain the existing roads. We receive new roads when a new subdivision builds the roads within the subdivision and upon completion of the construction the new roads are donated to the County. The County is then responsible for future maintenance. Without the Capital Grant decrease there would have been a 4.2% increase in revenue. Property taxes alone increased \$4.2M and Sales Taxes increased \$1.4M. The County did complete a full rollback of millage rates in 2017 and an additional .1%. The growth in the 2017 digest was 4.71% which increased property tax revenue. The County uses the prior year's property tax to fund the current year operations.

## Summary of Activities

	Governmental Fund Activities		Business Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Program Revenue:</b>						
Charges for Services	\$ 27,767,879	\$ 28,733,644	\$ 5,646,540	\$ 5,341,891	\$ 33,414,419	\$ 34,075,535
Operating Grants	7,827,795	5,928,258	21,000	21,000	7,848,795	5,949,258
Capital Grants:	9,483,769	15,954,463	14,121	42,165	9,497,890	15,996,628
<b>General Revenue:</b>						
Property Taxes	85,278,009	81,038,620			85,278,009	81,038,620
Alcoholic Beverage Taxes	1,090,198	1,056,462			1,090,198	1,056,462
Franchise Taxes	2,690,800	2,283,347			2,690,800	2,283,347
Sales Taxes	36,606,236	35,173,128			36,606,236	35,173,128
Insurance Premium Taxes	9,300,914	8,689,185			9,300,914	8,689,185
Other Taxes	214,232	207,340			214,232	207,340
Interest	513,058	261,309			513,058	261,309
Other	1,554,392	1,870,842		4,000	1,554,392	1,874,842
<b>TOTAL REVENUES</b>	<b>182,327,282</b>	<b>181,196,598</b>	<b>5,681,661</b>	<b>5,409,056</b>	<b>188,008,943</b>	<b>186,605,654</b>
YOY Change \$	\$ 1,130,684		\$ 272,605		\$ 1,403,289	
YOY Change %	0.6%		5.0%		0.8%	
<b>Program Expenses:</b>						
General Government	12,945,417	12,557,749			12,945,417	12,557,749
Judicial	17,268,050	16,970,402			17,268,050	16,970,402
Public Safety	75,658,791	76,378,048			75,658,791	76,378,048
Public Works	63,577,287	46,782,022			63,577,287	46,782,022
Health and Welfare	3,158,570	3,053,838			3,158,570	3,053,838
Culture and Recreation	12,856,023	18,747,709			12,856,023	18,747,709
Housing and Development	5,137,977	7,392,892			5,137,977	7,392,892
Interest	2,454,683	6,089,835			2,454,683	6,089,835
Emergency Medical Services			7,138,412	6,570,402	7,138,412	6,570,402
Conference Center			482,077	538,245	482,077	538,245
<b>TOTAL EXPENSES</b>	<b>193,056,798</b>	<b>187,972,495</b>	<b>7,620,489</b>	<b>7,108,647</b>	<b>200,677,287</b>	<b>195,081,142</b>
Change in Net Position Before Transfers	(10,729,516)	(6,775,897)	(1,938,828)	(1,699,591)	(12,668,344)	(8,475,488)
Transfers	(1,581,823)	(2,908,449)	1,581,823	2,908,449	-	-
Changes in Net Position	(12,311,339)	(9,684,346)	(357,005)	1,208,858	(12,668,344)	(8,475,488)
Beginning Net Position	971,241,019	980,925,365	3,326,629	2,117,771	974,567,648	983,043,136
Ending Net Position	\$ 958,929,680	\$ 971,241,019	\$ 2,969,624	\$ 3,326,629	\$ 961,899,304	\$ 974,567,648

As compared to 2016 governmental activities expenses increased \$5,084,303 or 2.7%. As with the governmental revenues, this increase is misleading. The main driver of this increase is depreciation. Since the assets did not increase as much as last year due to fewer roads being donated to the County, the amount of depreciation was more than the value of the assets that were added. Disregarding this increase in depreciation, governmental expenses increased \$4.1M. Public Safety, Recreation, Housing and Development, and Interest had the major decreases in expenses.

There were however, shifts in expenses that can be explained:

- Public Safety decreased expenses \$719,257. This decrease was due to good fiscal controls, especially considering 10 employees were added in 2017.
- Culture and Recreation decreased expenses \$5,891,686 in 2017. This is attributed to the Parks, Recreation, and Greenspace Bond project have begun to reach completion. Most projects were actually completed in 2016. The few remaining in 2017 were completed except for three, and the work left on them is minor. All projects that were funded by the Parks, Recreation, and Greenspace Bond proceeds will be completed in 2018.
- Housing and Development expenses decreased \$2,254,915 in 2017 as compared to 2016. There are two major factors for this. First, in 2016 the County repaid the balance of a loan for the Cherokee County Development Authority. Second was timing in payments CDBG pays to outside agencies.

- Interest expense decreased from \$6,089,835 in 2016 to \$2,454,683 in 2017. This was a combination of two occurrences. In 2016 the County refunded the first Recreation and Greenspace bond, therefore, the interest expense was lower in 2017. Also, just paying down principal has made the interest expense less each year.

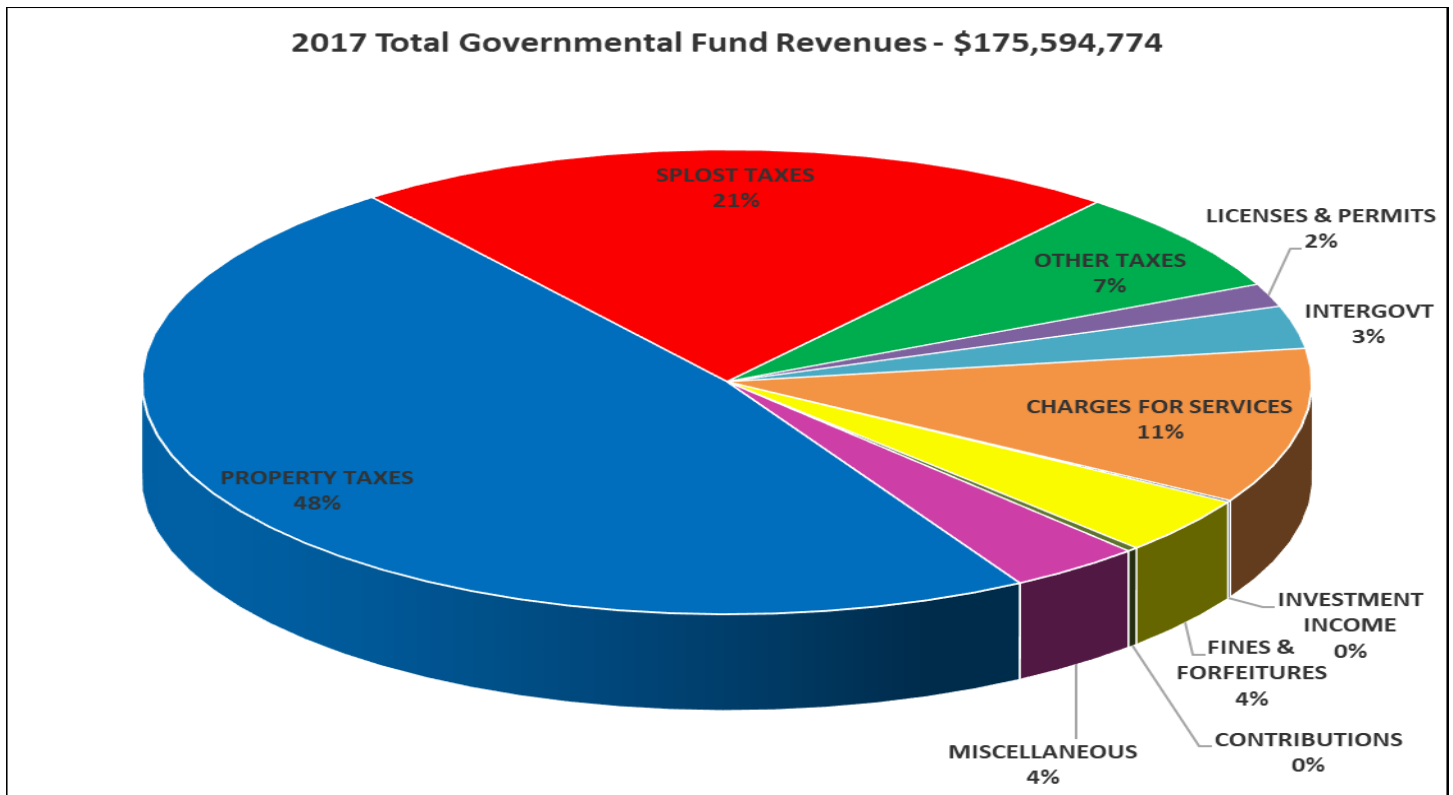
**FUND FINANCIAL STATEMENT ANALYSIS**

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 2017 totaled \$175,594,774.

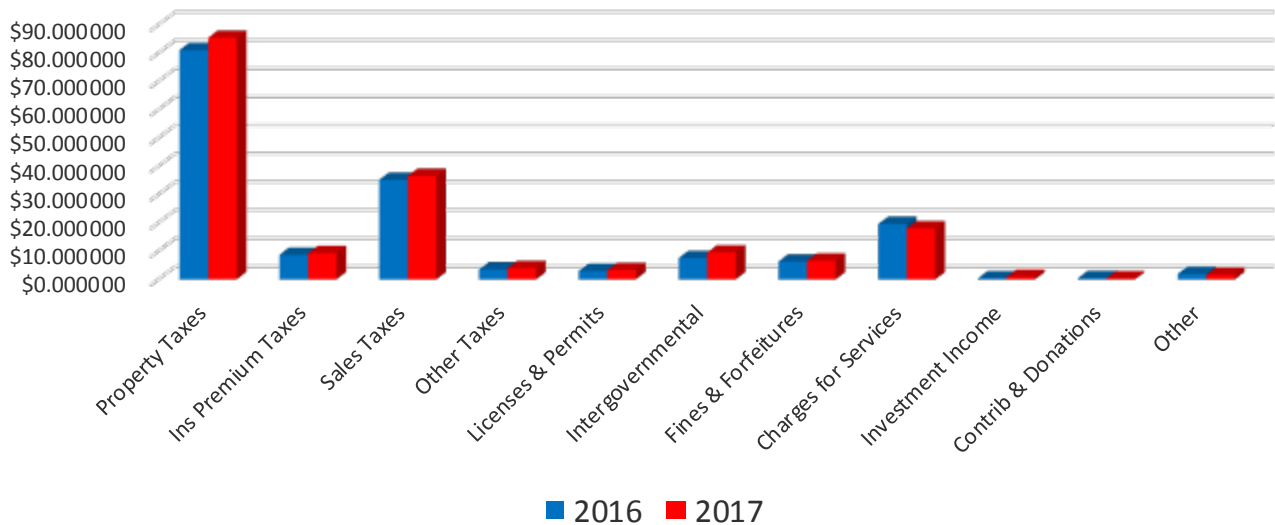
The majority of funding was generated from taxes at \$135,308,469 which is comprised of property taxes of \$85,406,089, sales taxes of \$36,606,236, insurance premium taxes of \$9,300,914, alcohol taxes of \$1,090,198 and other miscellaneous taxes of \$2,905,032.



Total revenues increased \$7,675,445 from \$167,919,333 in 2016 to \$175,594,774 in 2017. There were several factors contributing to this net variance:



### Total Governmental Revenues 2016 (\$167.9M) v 2017 (\$175.6M)

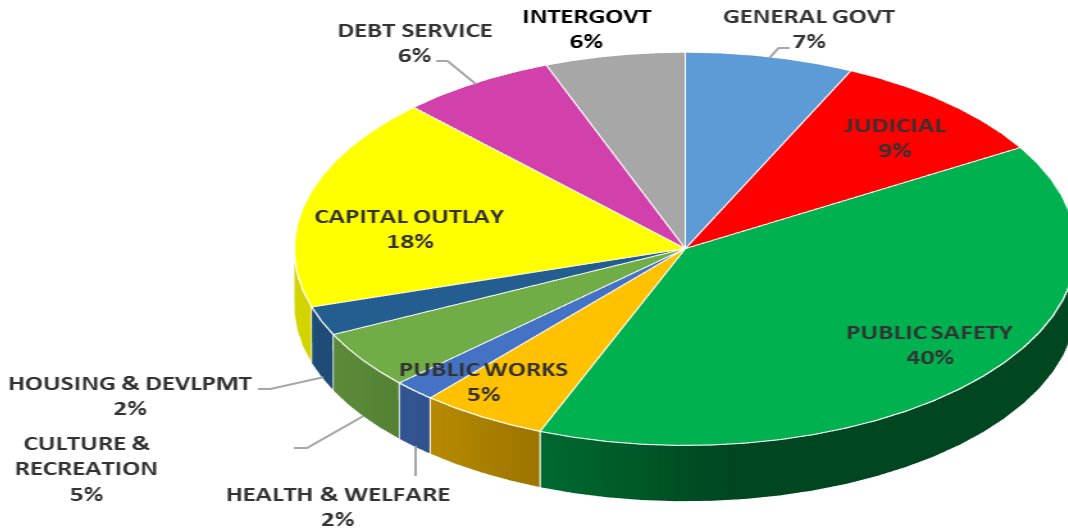


- Revenue from Property Taxes increased \$4,341,366.
- As previously explained, the County did completely rollback millage rates and an additional .1% in 2017. The increase in the property taxes was due to the 2017 Tax Digest increasing 8.43% of which 4.71% was new growth.
- Sales taxes increased \$1,433,108 from \$35,173,128 in 2016 to \$36,606,236 in 2017. With the implementation of the new TAVT tax in 2013, vehicle sales no longer generate sales tax, causing a drain on our sales tax dollars. However, sales tax had been steadily increasing before the implementation of the new TAVT tax. In addition, in July 2013 the Outlet Shoppes of Atlanta opened in Woodstock, and Cabela’s opened in August 2014. With the growing economy many other businesses have opened, thus increasing the sales tax revenue.
- Intergovernmental revenue increased from \$7,575,190 in 2016 to \$9,498,046 in 2017. The largest portion of this increase, \$2,413,577 was from the City of Canton. Until 2016 Canton had their own fire department. In 2016 the city gave all their equipment, fire stations, and employees to the County. Since they do not have fire protection for their citizens, they are now paying the County for fire protection.
- The Insurance Premium tax increased from \$8,689,185 in 2016 to \$9,300,914 in 2017. This is a tax collected by the state on insurance policies. A check is sent to us annually.

## 2. Expenditures

Governmental expenditures totaled \$177,396,182. Of this total, 49.1% was required to support public safety and judicial services.

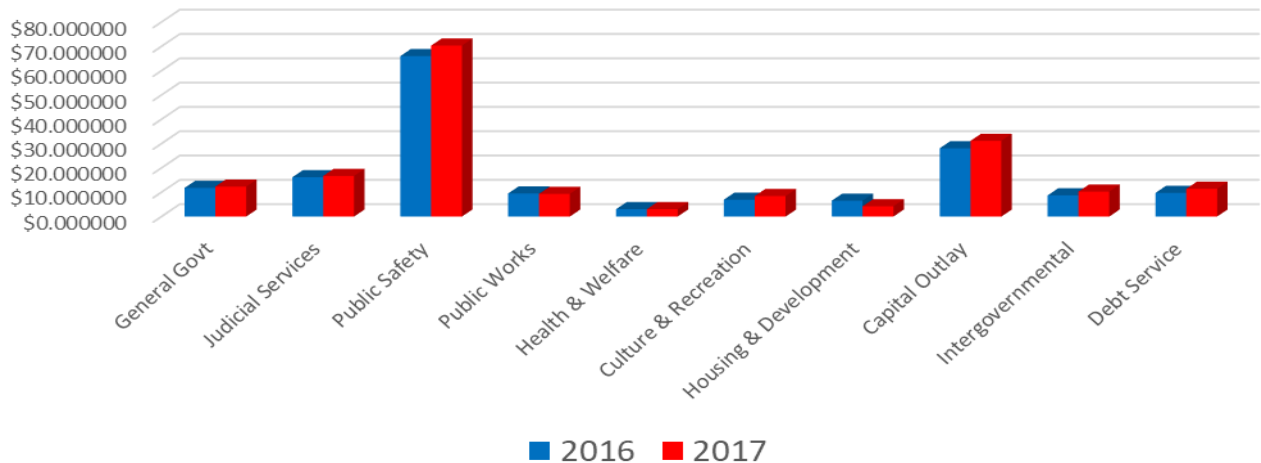
**2017 Total Governmental Fund Expenditures \$177,396,182**



As compared to 2016, governmental fund expenditures increased \$10,719,161, or approximately 6.43%. The primary drivers of the increases were as follows:

- Public Safety increased spending \$4,327,942. The Fire Department used \$1,190,413 of their fund balance to help fund the construction of a new fire station and purchase needed equipment. Employee costs for fire increased almost \$2M. This increase was due to acquiring the employees from City of Canton and hiring 10 additional employees to man the two new fire stations that were opened at the end of 2016. In addition, all employees received a 3% increase the first of October.
- Culture and Recreation expenditures increased \$1,479,782 in 2017. The Recreation and Parks Fund increased spending \$489,225 over 2016 expenditures; of which vehicles and equipment needed to care for the Parks and Greenspace were purchased with \$322,744. The Library requested \$1,000,000 of their funds to assist in new construction.
- Capital Outlay increased \$3,074,397. The major increases in Capital Outlay were in two funds. Park Bond Fund increased \$1,276,455; while Impact Fee Fund increased \$2,242,225. These increases are due to timing of projects.
- All County employees receive a 3% increase effective 10/1/17.

**Total Governmental Fund Expenditures  
2016 (\$166.8M) v 2017 (\$177.4M)**



**3. Fund Balance**

Even though the General Fund increased fund balance by \$1,953,805 and the SPLOST Fund increased fund balance by \$5,658,007, the total of Cherokee County's governmental funds reported combined ending fund balances of \$103,919,115, a net decrease of \$2,661,823 from the prior year. The cause of that is the Parks Bond Fund. At the end of 2016 the Parks Bond Fund had a fund balance of \$10,962,111. This was the last year of real construction of the new parks and parks renovations so most of that balance was used in 2017, leaving a fund balance of \$1,238,665 at the end of 2017.

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 \$29,669,007 of which \$29,365,899, or 99.0%, 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 35.3% of General Fund expenditures and transfers to other funds.

The Fire District Fund is another major fund of the County which is primarily supported by property taxes. At year-end, the total fund balance of this fund was \$7,274,078, which was \$538,886 higher than the 2016 balance. The increase was primarily driven by the Department's tight control over expenditures.

The SPLOST 2012 Fund was established in 2012 to account for collections of the renewed SPLOST Tax beginning in July 2012. At year end, the total fund balance of the SPLOST 2012 Fund had grown from \$41,872,922 to \$47,530,929. The SPLOST 2012 Fund added \$5,658,007 to the fund balance. This was accomplished because the SPLOST receipts continued to increase during 2017 while expenditures remained close to the same as the previous year. All funds are classified as restricted or nonspendable. Capital project spending is dependent on the progress of construction which is influenced by project management, weather, approvals, etc. As the fund collects sales tax revenue each month, if it is not spent in the current year, the balance will accumulate and carryforward so the projects will be completed in future years.

The Recreation Bond Fund accounts for the voter approved bond proceeds used to invest in recreation, parks, and greenspace. The fund balance at year-end was \$1,238,665, which is \$9,723,446 less than 2016. This large decrease in fund balance is one of the reasons there was not an overall fund balance increase for the governmental funds. This decrease was expected and budgeted accordingly as we completed or made significant progress on projects and the fund balance will continue to be depleted as parks are built. All projects are to be completed in 2018. The fund balance is restricted only to the approved projects included in the 2008 referendum.

#### **4. General Fund Budgetary Highlights**

The original budget for the General Fund expenditures was \$75,638,949, but was amended by \$582,512 to \$76,221,461. There were two amendments that together were 89% of the amount amended. During the year the decision was made to no longer use the outside custodial company and bring the workers on as employees of the County. That would give us greater control over the employees and their assignments and lower the total cost of custodial services. In order to do this, we adjusted the budget \$297,334. Just before budgets were complete in 2017 we knew we needed to raise the percentage of the employer portion of the Defined Benefit. Instead of changing the budget at the last minute, the departments were to try to cover the additional cost from within their department budget. In the end \$222,235 needed to be added to cover those departments who were unable to cover the additional defined benefit cost.

Readers can review variances for each department in the Budget and Actual Schedules.

## **CAPITAL ASSET AND DEBT ANALYSIS**

### **1. Capital Assets**

As of September 30, 2017, Cherokee County's investment in capital assets for its governmental activities totaled \$981,335,718 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges. The total of these capital assets decreased \$17,301,980, or 2%, as compared to FY2016. This is not unusual; often the capital assets decrease because the annual depreciation expense is greater than new purchases and construction.

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

- New Sheriff vehicles and Marshal vehicles
- Completed construction of Sheriff Fire Arms Complex
- Command fire trailer
- 5 fire pumpers places in service
- New Safe Kids van placed in service
- Completion of two fire stations
- New Animal Intake Trailer
- Machinery and Vehicles for Public Works and Parks
- Various road improvements
- Various Parks Bond construction including both new development and renovations

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

### **2. Long-Term Debt**

At the end of the current fiscal year, Cherokee County had total long term bonded debt outstanding of \$77,100,000.

Of this debt:

- \$11,280,000 is debt issued by the Resource Recovery Development Authority (RRDA), a blended component unit of the County. When this debt was issued, it was expected to be covered by the third party operator and lessee of the recycling facility; however, it was guaranteed by the County's pledge of up to 1 mil to cover the annual debt service payments if the lessee defaulted. In 2012 the County was forced to cancel the lease due to the operator's inability to meet its obligations. The County has not been required to increase the millage rate to cover the debt service. However, if it did, the required increase equivalent to the annual debt service would be only 0.15 mils. During 2015 the County signed a contract with Chris Cowart Properties for a lease-purchase of the property. We now receive \$142,244 per year for the property. In 2017 the County paid \$4M toward the principal of this debt, thus lowering the interest paid each year and shortening the number of years until it will be completely paid.

- \$65,820,000 is supported by a separate bond millage rate of 0.581 mills. This debt was approved by voters 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 \$963,117,533; with outstanding debt of \$77,100,000, we are significantly under the legal limit (less than 1% rather than 10%).

Cherokee County's long term bonded debt decreased \$8,730,000. \$4,730,000 was paid from the yearly principal payments. The County paid an additional \$4,000,000 toward the RRDA Bond principal. This lowered the total General Obligation Bonds outstanding to \$77,100,000. The County holds a rating of "Aa2" from Moody's Rating Agency and a "AA+" from Standard & Poor's Rating agency.

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

### **STATUS OF CHEROKEE COUNTY'S ECONOMY**

- As of November 30, 2017, the unemployment rate for Cherokee County was 3.4%, which was lower than the state rate of 4.3%. Cherokee County was .7% lower than a year ago. The state of Georgia dropped from 5.4% in 2017 to 4.3% in 2017.
- Beginning in late 2008, the construction industry suffered from the economic recession. This impacted building permits in most counties. However, over the past years Cherokee County has experienced a steady recovery in the issuance of building permits, which is a sign of an economy that is continuing to improve. In 2007 the County issued 3,358 building permits, which dropped to 1,963 at our lowest point in 2009, but rebounded to surpass the 2007 number in 2015 to an issuance of 3,186 permits. That number was surpassed in 2017 when 3,579 permits were issued.
- Sales tax revenues increased \$1,433,108 or 4.1% over 2016. We consider this extremely good news because in 2013, when the TAVT tax eliminated sales tax on motor vehicle purchases, we actually could have suffered a drop in revenues. The opening of the Outlet Shoppes of Atlanta in 2013 and Cabela's in 2014 have helped to offset this potential drop in revenue and has been a catalyst for many more shops and businesses to open in the County. Now there are many new businesses open and many are now being constructed and each year the sales tax revenues increase.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Cherokee County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Cherokee County Board of Commissioners, 1130 Bluffs Parkway, Canton, Georgia, 30114.

**Cherokee County, Georgia**  
**Statement of Net Position**  
**September 30, 2017**

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Department of Public Health	Cherokee County Development Authority	Development Authority of Cherokee County	Library
<b>Assets</b>							
Cash and cash equivalents	\$ 26,408,914	\$ 1,785,874	\$ 28,194,788	\$ 2,505,226	\$ 397,087	\$ 1,781,519	\$ 1,557,923
Investments	-	-	-	331,927	-	-	-
Property taxes receivable	75,191,114	-	75,191,114	-	-	-	-
Accounts receivable	11,863,877	1,014,034	12,877,911	9,210	-	5,440	94,471
Due from other governments	4,547,166	-	4,547,166	1,335,020	-	4,000	91,509
Due from primary government	-	-	-	-	-	258,967	-
Inventory	744,126	-	744,126	-	-	-	-
Prepaid items	613,839	11,629	625,468	31,463	-	23,906	21,872
Restricted cash and cash equivalents	76,886,080	-	76,886,080	-	-	-	55,232
Restricted investments	254,375	-	254,375	-	-	-	-
Net OPEB asset	365,770	-	365,770	-	-	-	-
Capital assets, non-depreciable	315,156,481	100,482	315,256,963	-	2,084,585	4,773,665	1,114,711
Capital assets, depreciable (net of accumulated depreciation)	666,179,237	3,329,100	669,508,337	428,523	120,911	771,535	5,787,299
<b>Total assets</b>	<b>1,178,210,979</b>	<b>6,241,119</b>	<b>1,184,452,098</b>	<b>4,641,369</b>	<b>2,602,583</b>	<b>7,619,032</b>	<b>8,723,017</b>
<b>Deferred Outflows of Resources</b>							
Deferred outflows relating to pension	17,844,762	1,157,807	19,002,569	2,411,986	-	-	835,339
<b>Total Deferred Outflows of Resources</b>	<b>17,844,762</b>	<b>1,157,807</b>	<b>19,002,569</b>	<b>2,411,986</b>	<b>-</b>	<b>-</b>	<b>835,339</b>
<b>Liabilities</b>							
<b>Current Liabilities</b>							
Accounts payable	11,096,743	193,989	11,290,732	183,517	-	-	57,071
Accrued liabilities	3,470,252	125,645	3,595,897	-	-	1,333	13,681
Due to other governments	796,920	-	796,920	240,049	4,404,780	-	-
Noncurrent liabilities							
Due within one year	14,063,226	452,015	14,515,241	267,718	-	-	12,325
Due in more than one year	131,671,929	3,657,653	135,329,582	9,221,834	-	-	3,248,157
<b>Total Liabilities</b>	<b>161,099,070</b>	<b>4,429,302</b>	<b>165,528,372</b>	<b>9,913,118</b>	<b>4,404,780</b>	<b>1,333</b>	<b>3,331,234</b>
<b>Deferred Inflows of Resources</b>							
Deferred revenue-advance registration fees	250,208	-	250,208	-	-	6,500	-
Deferred revenue-property taxes	75,776,783	-	75,776,783	-	-	-	-
Deferred inflows relating to pension	-	-	-	54,155	-	-	94,678
<b>Total Deferred Inflows of Resources</b>	<b>76,026,991</b>	<b>-</b>	<b>76,026,991</b>	<b>54,155</b>	<b>-</b>	<b>6,500</b>	<b>94,678</b>
<b>Net Position</b>							
Net investment in capital assets	903,790,353	3,429,582	907,219,935	428,523	2,205,496	5,545,200	6,902,010
Restricted for:							
Law library operations	585,268	-	585,268	-	-	-	20,663
Senior services	148,249	-	148,249	-	-	-	-
Public safety	191,819	-	191,819	-	-	-	-
Court services	1,638,547	-	1,638,547	-	-	-	-
SPLOST projects	49,347,087	-	49,347,087	-	-	-	-
Grant activities	513,104	-	513,104	-	-	-	-
Jail operation and construction	826,431	-	826,431	-	-	-	-
E911 operations	2,744,967	-	2,744,967	-	-	-	-
Health and welfare	133,274	-	133,274	-	-	-	-
Debt service	351,826	-	351,826	-	-	-	-
Cultural and recreation construction	-	-	-	-	-	-	49,674
Impact fees	8,080,362	-	8,080,362	-	-	-	-
Fire protection services	7,274,078	-	7,274,078	-	-	-	-
Public health programs	-	-	-	1,359,140	-	-	-
Unrestricted (deficit)	(16,695,685)	(459,958)	(17,155,643)	(4,701,581)	(4,007,693)	2,065,999	(839,903)
<b>Total Net Position</b>	<b>\$ 958,929,680</b>	<b>\$ 2,969,624</b>	<b>\$ 961,899,304</b>	<b>\$ (2,913,918)</b>	<b>\$ (1,802,197)</b>	<b>\$ 7,611,199</b>	<b>\$ 6,132,444</b>

See accompanying notes to the basic financial statements

Cherokee County, Georgia  
Statement of Activities  
For the Year Ended September 30, 2017

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position								
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units					
					Governmental Activities	Business-type Activities	Total	Department of Public Health	Cherokee County Development Authority	Development Authority of Cherokee County	Library		
<b>Primary Government</b>													
<b>Governmental Activities</b>													
General government	\$ 12,945,417	\$ 7,748,614	\$ 256,268	\$ -	\$ (4,940,535)	\$ -	\$ (4,940,535)						
Judicial	17,268,050	6,145,266	1,262,696	-	(9,860,088)	-	(9,860,088)						
Public safety	75,658,791	6,964,068	4,396,442	-	(64,298,281)	-	(64,298,281)						
Public works	63,577,287	4,098,942	-	9,440,608	(50,037,737)	-	(50,037,737)						
Health and welfare	3,158,570	375,965	1,033,974	43,161	(1,705,470)	-	(1,705,470)						
Culture and recreation	12,856,023	2,435,024	66,197	-	(10,354,802)	-	(10,354,802)						
Housing and development	5,137,977	-	812,218	-	(4,325,759)	-	(4,325,759)						
Interest and fiscal charges	2,454,683	-	-	-	(2,454,683)	-	(2,454,683)						
<b>Total Governmental Activities</b>	<b>193,056,798</b>	<b>27,767,879</b>	<b>7,827,795</b>	<b>9,483,769</b>	<b>(147,977,355)</b>	<b>-</b>	<b>(147,977,355)</b>						
<b>Business-type Activities</b>													
Emergency medical services	7,138,412	5,317,687	-	14,121	-	(1,806,604)	(1,806,604)						
Conference center	482,077	328,853	21,000	-	-	(132,224)	(132,224)						
<b>Total Business-type Activities</b>	<b>7,620,489</b>	<b>5,646,540</b>	<b>21,000</b>	<b>14,121</b>	<b>-</b>	<b>(1,938,828)</b>	<b>(1,938,828)</b>						
<b>Total Primary Government</b>	<b>\$ 200,677,287</b>	<b>\$ 33,414,419</b>	<b>\$ 7,848,795</b>	<b>\$ 9,497,890</b>	<b>(147,977,355)</b>	<b>(1,938,828)</b>	<b>(149,916,183)</b>						
<b>Component Unit</b>													
Department of Public Health	\$ 14,567,820	\$ 2,943,507	\$ 10,277,234	\$ -			\$ (1,347,079)	\$ -	\$ -	\$ -			
Cherokee County Development Authority	1,789,062	189,626	-	-			-	(1,599,436)	-	-			
Development Authority of Cherokee County	819,936	60,450	2,140,257	-			-	-	1,380,771	-			
Library	4,653,955	257,250	640,772	718,415			-	-	-	-		(3,037,518)	
	<b>\$ 21,830,773</b>	<b>\$ 3,450,833</b>	<b>\$ 13,058,263</b>	<b>\$ 718,415</b>			<b>(1,347,079)</b>	<b>(1,599,436)</b>	<b>1,380,771</b>	<b>(3,037,518)</b>			
<b>General Revenues</b>													
Property taxes					85,278,009	-	85,278,009	-	-	-			
Alcoholic beverage taxes					1,090,198	-	1,090,198	-	-	-			
Franchise taxes					2,690,800	-	2,690,800	-	-	-			
Sales taxes					36,606,236	-	36,606,236	-	-	-			
Insurance premium taxes					9,300,914	-	9,300,914	-	-	-			
Other taxes					214,232	-	214,232	-	-	-			
Miscellaneous					1,554,392	-	1,554,392	2,624,829	-	-		2,968,906	
Unrestricted investment earnings					513,058	-	513,058	-	321	564		2,056	
Gain on sale of capital assets					-	-	-	-	1,492,984	739,346		-	
Transfers					(1,581,823)	1,581,823	-	-	-	-		-	
<b>Total General Revenues</b>					<b>135,666,016</b>	<b>1,581,823</b>	<b>137,247,839</b>	<b>2,624,829</b>	<b>1,493,305</b>	<b>739,910</b>		<b>2,970,962</b>	
<b>Change in Net Position</b>					<b>(12,311,339)</b>	<b>(357,005)</b>	<b>(12,668,344)</b>	<b>1,277,750</b>	<b>(106,131)</b>	<b>2,120,681</b>		<b>(66,556)</b>	
<b>Net Position Beginning of Year</b>					<b>971,241,019</b>	<b>3,326,629</b>	<b>974,567,648</b>	<b>(4,191,668)</b>	<b>(1,696,066)</b>	<b>5,490,518</b>		<b>6,199,000</b>	
<b>Net Position End of Year</b>					<b>\$958,929,680</b>	<b>\$ 2,969,624</b>	<b>\$961,899,304</b>	<b>\$ (2,913,918)</b>	<b>\$ (1,802,197)</b>	<b>\$ 7,611,199</b>		<b>\$ 6,132,444</b>	

See accompanying notes to the basic financial statements

**Cherokee County, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2017**

	<b>General Fund</b>	<b>Fire District Fund</b>	<b>SPLOST 2012 Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>					
Cash	\$ 23,185,205	\$ 8,591,370	\$ 49,756,447	\$ 19,561,959	\$ 101,094,981
Investments	-	-	-	254,375	254,375
Property taxes receivable, net	48,257,224	21,407,425	-	5,526,465	75,191,114
Accounts receivable, net	10,386,472	880	-	1,156,775	11,544,127
Due from other governments	41,239	7,899	3,107,693	1,390,335	4,547,166
Due from other funds	323,270	-	-	-	323,270
Inventory	37,466	517,017	-	-	554,483
Prepaid items	265,642	55,517	5,742	273,226	600,127
<b>Total assets</b>	<b>\$ 82,496,518</b>	<b>\$ 30,580,108</b>	<b>\$ 52,869,882</b>	<b>\$ 28,163,135</b>	<b>\$ 194,109,643</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 2,532,555	\$ 1,217,955	\$ 4,495,730	\$ 2,445,914	\$ 10,692,154
Accrued liabilities	1,578,080	406,154	46,303	193,329	2,223,866
Due to other funds	-	-	-	239,132	239,132
Due to other governments	-	-	796,920	-	796,920
<b>Total liabilities</b>	<b>4,110,635</b>	<b>1,624,109</b>	<b>5,338,953</b>	<b>2,878,375</b>	<b>13,952,072</b>
<b>Deferred Inflows of Resources</b>					
Unearned revenue-advance registration fees	-	-	-	250,208	250,208
Unavailable revenue-property taxes	48,716,876	21,681,921	-	5,589,451	75,988,248
<b>Total deferred inflows of resources</b>	<b>48,716,876</b>	<b>21,681,921</b>	<b>-</b>	<b>5,839,659</b>	<b>76,238,456</b>
<b>Fund Balances</b>					
Nonspendable:					
Prepaid items	265,642	55,517	5,742	273,226	600,127
Inventory	37,466	517,017	-	-	554,483
Restricted:					
Law library operations	-	-	-	585,268	585,268
Senior services	-	-	-	146,606	146,606
Public safety	-	-	-	191,819	191,819
Court services	-	-	-	1,638,143	1,638,143
SPLOST projects	-	-	47,525,187	1,816,158	49,341,345
Grant activities	-	-	-	513,080	513,080
Jail operation and construction	-	-	-	826,431	826,431
E911 operations	-	-	-	2,740,315	2,740,315
Health and welfare	-	-	-	130,742	130,742
Debt service	-	-	-	101,274	101,274
Cultural and recreation construction	-	-	-	1,238,653	1,238,653
Impact fees	-	-	-	8,080,362	8,080,362
Fire protection services	-	6,701,544	-	-	6,701,544
Committed					
Jail and inmate services	-	-	-	453,562	453,562
Animal control	-	-	-	350,616	350,616
Park and recreation activities	-	-	-	358,846	358,846
Unassigned	29,365,899	-	-	-	29,365,899
<b>Total fund balances</b>	<b>29,669,007</b>	<b>7,274,078</b>	<b>47,530,929</b>	<b>19,445,101</b>	<b>103,919,115</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 82,496,518</b>	<b>\$ 30,580,108</b>	<b>\$ 52,869,882</b>	<b>\$ 28,163,135</b>	

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.	981,070,699
Other long-term assets are not available to pay for current period expenditures, and therefore, are unavailable in the funds.	211,465
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.	(91,792,357)
Net pension liability, along with related amounts, is not due and payable in the current period and is, therefore, not reported in governmental funds.	(35,930,982)
Net OPEB asset does not consume current financial resources and, therefore, not reported in governmental funds.	365,770
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.	1,085,970
Net position of governmental activities.	<u>\$ 958,929,680</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, 2017**

	<b>General Fund</b>	<b>Fire District Fund</b>	<b>SPLOST 2012 Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>					
Property taxes	\$ 56,625,489	\$ 22,810,290	\$ -	\$ 5,970,310	\$ 85,406,089
Alcoholic beverage taxes	-	-	-	1,090,198	1,090,198
Franchise taxes	2,690,800	-	-	-	2,690,800
Insurance premium taxes	9,300,914	-	-	-	9,300,914
Sales taxes	-	-	36,606,236	-	36,606,236
Other taxes	-	-	-	214,232	214,232
Licenses and permits	3,252,195	78,408	-	-	3,330,603
Intergovernmental	66,646	4,142,171	2,178,063	3,111,166	9,498,046
Fines and forfeitures	4,666,765	-	-	1,945,871	6,612,636
Charges for services	6,936,465	2,183	-	11,094,765	18,033,413
Investment earnings	311,915	89,246	355,470	125,294	881,925
Contributions and donations	-	-	-	343,434	343,434
Miscellaneous	1,003,635	150	200,143	382,320	1,586,248
<b>Total revenues</b>	<b>84,854,824</b>	<b>27,122,448</b>	<b>39,339,912</b>	<b>24,277,590</b>	<b>175,594,774</b>
<b>Expenditures</b>					
Current:					
General government	12,205,291	-	-	145,361	12,350,652
Judicial	14,664,855	-	83,083	1,991,851	16,739,789
Public safety	36,374,918	26,667,477	40,739	7,250,679	70,333,813
Public works	4,712,283	-	4,570,014	32,687	9,314,984
Health and welfare	428,960	-	-	2,657,689	3,086,649
Culture and recreation	2,171,916	-	-	6,275,239	8,447,155
Housing and development	3,339,507	-	-	912,218	4,251,725
Intergovernmental	-	-	10,170,527	100,000	10,270,527
Capital Outlay	-	-	18,482,385	12,690,073	31,172,458
Debt Service					
Principal	107,348	-	19,362	8,738,256	8,864,966
Interest	17,928	-	3,054	2,542,482	2,563,464
<b>Total expenditures</b>	<b>74,023,006</b>	<b>26,667,477</b>	<b>33,369,164</b>	<b>43,336,535</b>	<b>177,396,182</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>10,831,818</b>	<b>454,971</b>	<b>5,970,748</b>	<b>(19,058,945)</b>	<b>(1,801,408)</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of capital assets	242,250	68,751	10,000	2,000	323,001
Issuance of capital lease	65,988	-	-	149,488	215,476
Insurance reimbursement	43,772	15,164	136,539	1,833	197,308
Transfers in	-	-	-	8,439,524	8,439,524
Transfers out	(9,230,023)	-	(459,280)	(346,421)	(10,035,724)
<b>Total other financing sources (uses)</b>	<b>(8,878,013)</b>	<b>83,915</b>	<b>(312,741)</b>	<b>8,246,424</b>	<b>(860,415)</b>
<b>Net Change in Fund Balances</b>	<b>1,953,805</b>	<b>538,886</b>	<b>5,658,007</b>	<b>(10,812,521)</b>	<b>(2,661,823)</b>
<b>Fund Balances Beginning of Year</b>	<b>27,715,202</b>	<b>6,735,192</b>	<b>41,872,922</b>	<b>30,257,622</b>	<b>106,580,938</b>
<b>Fund Balances End of Year</b>	<b>\$ 29,669,007</b>	<b>\$ 7,274,078</b>	<b>\$ 47,530,929</b>	<b>\$ 19,445,101</b>	<b>\$ 103,919,115</b>

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, 2017**

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

Net changes in fund balances - total governmental funds	\$ (2,661,823)
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.	(21,269,725)
The net effect of various miscellaneous transactions involving capital assets (i.e. donations, sales and trade-ins) is to increase net position.	3,960,655
The current fiscal year increase to the net OPEB asset decreases net expenses of the functions on the government wide statements.	32,445
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(128,080)
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	8,730,000
Principal payments on capital leases	134,966
Capital leases issued	(215,476)
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.	(1,266,060)
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.	371,759
<b>Change in net position of governmental activities</b>	<u><u>\$ (12,311,339)</u></u>

See accompanying notes to the basic financial statements

**Cherokee County, Georgia**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2017**

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Assets</b>				
Current assets				
Cash	\$ 1,320,346	\$ 465,528	\$ 1,785,874	\$ 2,200,013
Receivables, net of allowance	1,010,525	3,509	1,014,034	319,750
Inventories	-	-	-	189,643
Prepaid items	11,506	123	11,629	13,712
Total current assets	<u>2,342,377</u>	<u>469,160</u>	<u>2,811,537</u>	<u>2,723,118</u>
Noncurrent assets				
Capital assets, non-depreciable	100,482	-	100,482	-
Capital assets, net of depreciation	3,242,611	86,489	3,329,100	265,019
Total noncurrent assets	<u>3,343,093</u>	<u>86,489</u>	<u>3,429,582</u>	<u>265,019</u>
Total assets	<u>5,685,470</u>	<u>555,649</u>	<u>6,241,119</u>	<u>2,988,137</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows relating to pension	1,157,807	-	1,157,807	135,915
Total deferred outflows of resources	<u>1,157,807</u>	<u>-</u>	<u>1,157,807</u>	<u>135,915</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	171,245	22,744	193,989	404,589
Accrued liabilities	103,873	21,772	125,645	1,056,393
Due to other funds	-	-	-	84,138
Compensated absences, due within one year	452,015	-	452,015	60,959
Total current liabilities	<u>727,133</u>	<u>44,516</u>	<u>771,649</u>	<u>1,606,079</u>
<b>Long-term Liabilities (net of current portion)</b>				
Compensated absences, due in more than one year	150,671	-	150,671	20,320
Net pension liability	3,506,982	-	3,506,982	411,683
Total long-term liabilities	<u>3,657,653</u>	<u>-</u>	<u>3,657,653</u>	<u>432,003</u>
<b>Total Liabilities</b>	<u>4,384,786</u>	<u>44,516</u>	<u>4,429,302</u>	<u>2,038,082</u>
<b>Net Position</b>				
Investment in capital assets	3,343,093	86,489	3,429,582	265,019
Unrestricted (deficit)	(884,602)	424,644	(459,958)	820,951
<b>Total Net Position</b>	<u>\$ 2,458,491</u>	<u>\$ 511,133</u>	<u>\$ 2,969,624</u>	<u>\$ 1,085,970</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, 2017**

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
<b>Operating Revenues</b>				
Charges for services	\$ 5,170,476	\$ 324,670	\$ 5,495,146	\$ 15,891,243
Miscellaneous revenue	147,211	4,183	151,394	1,744,229
Total operating revenues	<u>5,317,687</u>	<u>328,853</u>	<u>5,646,540</u>	<u>17,635,472</u>
<b>Operating Expenses</b>				
Personal services	5,525,029	-	5,525,029	755,940
Contractual services	607,675	316,852	924,527	1,706,990
Claims paid	-	-	-	13,974,564
Supplies	487,572	133,891	621,463	810,263
Depreciation	397,153	31,334	428,487	30,333
Total operating expenses	<u>7,017,429</u>	<u>482,077</u>	<u>7,499,506</u>	<u>17,278,090</u>
Operating income (loss)	(1,699,742)	(153,224)	(1,852,966)	357,382
<b>Nonoperating Revenue</b>				
Contributions	-	21,000	21,000	-
Loss on sale of capital assets	(120,983)	-	(120,983)	-
Total nonoperating revenue	<u>(120,983)</u>	<u>21,000</u>	<u>(99,983)</u>	<u>-</u>
<b>Change in net position before transfers and capital contributions</b>				
	<u>(1,820,725)</u>	<u>(132,224)</u>	<u>(1,952,949)</u>	<u>357,382</u>
Capital contributions	<u>14,121</u>	<u>-</u>	<u>14,121</u>	<u>-</u>
<b>Transfers</b>				
Transfers in	<u>1,467,591</u>	<u>114,232</u>	<u>1,581,823</u>	<u>14,377</u>
Total transfers	<u>1,467,591</u>	<u>114,232</u>	<u>1,581,823</u>	<u>14,377</u>
<b>Change in net position</b>	(339,013)	(17,992)	(357,005)	371,759
<b>Net Position Beginning of Year</b>	<u>2,797,504</u>	<u>529,125</u>	<u>3,326,629</u>	<u>714,211</u>
<b>Net Position End of Year</b>	<u>\$ 2,458,491</u>	<u>\$ 511,133</u>	<u>\$ 2,969,624</u>	<u>\$ 1,085,970</u>

See accompanying notes to the basic financial statements

**Cherokee County, Georgia**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended September 30, 2017**

	<u>EMS</u>	<u>Non-major Conference Center</u>	<u>Totals</u>	<u>Governmental Activities- Internal Service Fund</u>
<b>Cash Flows from Operating Activities</b>				
Receipts from customers	\$ 4,911,545	\$ 326,744	\$ 5,238,289	\$ -
Receipts from others	147,211	-	147,211	-
Receipts from other funds	-	-	-	17,607,909
Payments to employees	(5,524,910)	-	(5,524,910)	(771,559)
Payments to suppliers for services provided	(1,237,871)	(453,270)	(1,691,141)	(16,160,278)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>(1,704,025)</u>	<u>(126,526)</u>	<u>(1,830,551)</u>	<u>676,072</u>
<b>Cash Flows from Capital Financing Activities</b>				
Proceeds from sale of capital assets	3,099	-	3,099	-
Purchase of capital assets	(55,973)	(62,789)	(118,762)	(37,423)
Capital contributions	14,121	-	14,121	-
<b>Net Cash Used in Capital Financing Activities</b>	<u>(38,753)</u>	<u>(62,789)</u>	<u>(101,542)</u>	<u>(37,423)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers in	1,467,591	114,232	1,581,823	14,377
Donations for operations	-	21,000	21,000	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>1,467,591</u>	<u>135,232</u>	<u>1,602,823</u>	<u>14,377</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(275,187)</u>	<u>(54,083)</u>	<u>(329,270)</u>	<u>653,026</u>
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>1,595,533</u>	<u>519,611</u>	<u>2,115,144</u>	<u>1,546,987</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 1,320,346</u>	<u>\$ 465,528</u>	<u>\$ 1,785,874</u>	<u>\$ 2,200,013</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>				
<b>Operating Income (Loss)</b>	\$ (1,699,742)	\$ (153,224)	\$ (1,852,966)	\$ 357,382
<b>Adjustments -</b>				
Depreciation	397,153	31,334	428,487	30,333
<b>(Increase) Decrease in:</b>				
Accounts receivable	(258,931)	(2,109)	(261,040)	(55,908)
Prepaid items	(11,506)	5,118	(6,388)	(12,504)
Inventories	-	-	-	1,984
Deferred outflows of resources	(392,168)	-	(392,168)	(37,768)
<b>Increase (Decrease) in:</b>				
Accounts payable	(127,105)	(11,349)	(138,454)	14,233
Accrued expenses	(4,013)	3,704	(309)	327,826
Due to other funds	-	-	-	28,345
Compensated absences payable	(6,435)	-	(6,435)	8,914
Net pension liability	398,722	-	398,722	13,235
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ (1,704,025)</u>	<u>\$ (126,526)</u>	<u>\$ (1,830,551)</u>	<u>\$ 676,072</u>

See accompanying notes to the basic financial statements

**Cherokee County, Georgia**  
**Statement of Fiduciary Assets and Liabilities**  
**Fiduciary Funds**  
**September 30, 2017**

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	<b>Agency Funds</b>
<b>Assets</b>	
Cash	\$ 10,294,452
Taxes and other receivables	<u>231,783,744</u>
<b>Total assets</b>	<u><u>\$ 242,078,196</u></u>
<b>Liabilities</b>	
Due to others	\$ 10,294,452
Taxes payable to others upon collection	<u>231,783,744</u>
<b>Total Liabilities</b>	<u><u>\$ 242,078,196</u></u>

See accompanying notes to the basic financial statements

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

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

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

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

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

2017 the Library received \$2,101,826 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 financial statements of the Sequoyah Regional Library were audited by other auditors, and a complete report can be obtained from the Sequoyah Regional Library, 116 Brown Industrial Parkway, Canton, Georgia 30114.

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

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

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

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

The Atlanta Regional Commission (the “ARC”) is considered a joint venture based upon the criteria in GASB Statement No. 14, as amended by GASB Statement No. 61. Under Georgia law, the County, in conjunction with other cities and counties in the 10-county metropolitan Atlanta, Georgia area, is a member of the ARC. Membership in a Regional Commission is required by the O.C.G.A 50-8-34, which provides for the organizational structure of the RDC in Georgia. The County paid dues in the amount of \$260,807 to the ARC for the fiscal year ended September 30, 2017. 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.



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The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise fund are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government wide-financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Agency funds are custodial in nature and do not present the results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of the related cash flows. Property taxes are recognized as revenues in which the fiscal year for which they are levied. Property taxes levied in September are for the next fiscal year beginning October 1. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers most revenues to be available if they are collected within 60 days of the end of the current fiscal year, however, grant revenues are considered available if they are collected within 180 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

The County reports the following major governmental funds:

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

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

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The ***Special Purpose Local Option Sales Tax (“SPLOST”) 2012 Fund*** is used to account for proceeds of a special 1% local sales tax levy approved by voters in 2011 for an authorized period of six years, between July 2012-June 2018, and for a total amount of up to \$185.5 million. The proceeds of this special tax are designated for 1) jail expansion, law enforcement and fire/EMS training facilities and equipment, advance life support (ALS) vehicles and equipment, and animal shelter facilities and equipment 2) transportation facilities, equipment, improvement, and airport facilities and expansion, 3) library facilities, 4) senior center facilities, 5) law enforcement, E-911 and county marshal facilities, vehicle and equipment, 6) business and economic development land acquisition, infrastructure, facilities, debt service, sewer system improvements, 7) courthouse expansion, and 8) fire and emergency services facilities, vehicles and equipment.

The County reports the following major proprietary fund:

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

Additionally, the County reports the following fund types:

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

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

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

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

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

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

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

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

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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.

**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, 2017, 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."

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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.

Payments to vendors for services that will benefit periods beyond September 30, 2017, 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.

**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

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**H. Deferred Outflows/ Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The County has two items which qualify for reporting in this category. One is the deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

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

**I. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the 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.

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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.

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

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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.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**L. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resource, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Cherokee County Defined Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**M. Interfund Transfers**

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

**N. Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflow of resources, liabilities, deferred inflows of resources, and the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2. LEGAL COMPLIANCE- BUDGETS**

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

1. On or around September 1, the County Manager submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. At least one public hearing is conducted to obtain taxpayer comments.
3. The budget is formally approved at the first Board meeting in October, or shortly thereafter as deemed appropriate by the Budget Officer.
4. The County Manager is authorized to transfer amounts between accounts within any department. All supplemental appropriations must be enacted by the County Commission.
5. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is typically at the department level. For the capital project fund budgets the legal level of control is typically the fund as a whole.
6. Annual appropriated budgets are adopted for the General Fund, each Special Revenue Fund, each Capital Projects Fund, and the Debt Service Fund for the fiscal year ended September 30, 2017. 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.

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds and net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are reported in the funds. The details of the \$91,792,357 difference are as follows:

Bonds payable:	\$ (77,100,000)
Less: Underwriters discount	143,837
Add: Original issue premium	(784,669)
Capital lease payable	(674,701)
Accrued interest payable	(189,993)
Claims payable	(718,636)
Landfill postclosure costs	(1,502,647)
Compensated absences	<u>(10,965,548)</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ (91,792,357)</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 \$3,960,655 difference are as follows:

Donations of capital assets	\$ 6,663,280
Disposal of capital assets	<u>(2,702,625)</u>
Net adjustment to increase fund balance- total governmental funds to arrive at net position-governmental activities	<u>\$ 3,960,655</u>



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The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds and changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$21,269,725 difference are as follows:

Capital outlay	\$ 29,724,378
Depreciation expense	<u>(50,994,103)</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (21,269,725)</u></u>

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$1,266,060 are as follows:

Compensated absences	\$ (655,336)
Insurance claims	(265,907)
Amortization expense	102,473
Pension expense	(623,588)
Landfill monitoring costs	169,990
Interest expense	<u>6,308</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (1,266,060)</u></u>

**NOTE 4. DEPOSITS AND INVESTMENTS**

**A. Credit Risk**

State statutes authorize the County to invest in obligations of the State of Georgia or other States; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime banker’s acceptances; the local government investment pool established by State law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County does not have an investment policy and, therefore, has elected to follow State statutes for limiting credit risk on investments.

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At September 30, 2017, the County had the following investments:

Investment	Maturity	Amount
Certificate of deposit	18 month	\$ 254,375
Georgia Fund 1	13 day WAM	14,526,851
Money market	1 day	80,466,382
		<u>\$ 95,247,608</u>

The County is reporting its investments in Georgia Fund 1 and the money market investments as cash equivalents in the financial statements as of September 30, 2017.

**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, 2017, the County was not exposed to custodial credit risk.

**D. Fair Value Measurements**

GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the County has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the County's own assumptions, as there is little, if any, related market activity.

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The County's recurring fair value measurements as of September 30, 2017 are as follows:

Investment	Fair Value Measurement			
		Level 1	Level 2	Level 3
Certificate of deposit	\$ 254,375	\$ 254,375	\$ -	\$ -
Georgia Fund 1	14,526,851	14,526,851	-	-
Money market	80,466,382	80,466,382	-	-
	<u>\$ 95,247,608</u>	<u>\$ 95,247,608</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 5. RECEIVABLES**

Receivables at September 30, 2017, for the County's individual major funds and nonmajor funds are as follows:

	General Fund	Fire District	Nonmajor Governmental Funds
Receivables:			
Property taxes	\$48,525,672	\$ 21,526,485	\$ 5,557,267
Accounts	10,650,442	880	1,156,775
Gross receivables	59,176,114	21,527,365	6,714,042
Less allowance for uncollectibles	532,418	119,060	30,802
Net receivables	<u>\$58,643,696</u>	<u>\$ 21,408,305</u>	<u>\$ 6,683,240</u>

	EMS	Non-major Conference Center	Internal Service Funds
Receivables:			
Accounts	\$11,997,644	\$ 3,509	\$ 319,750
Less allowance for uncollectibles	10,987,119	-	-
Net total receivables	<u>\$ 1,010,525</u>	<u>\$ 3,509</u>	<u>\$ 319,750</u>

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

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**NOTE 6. CAPITAL ASSETS**

**A. Primary Government**

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land and land improvement	\$ 278,695,557	\$ 2,017,463	\$ -	\$ (1,131,269)	\$ 279,581,751
Construction in progress	27,665,505	23,525,365	(15,616,140)	-	35,574,730
Total	<u>306,361,062</u>	<u>25,542,828</u>	<u>(15,616,140)</u>	<u>(1,131,269)</u>	<u>315,156,481</u>
Capital assets, being depreciated:					
Buildings and improvements	169,076,500	586,460	11,990,821	(3,059,549)	178,594,232
Machinery and equipment	20,626,065	1,261,943	437,247	(401,664)	21,923,591
Vehicles	27,316,917	6,677,021	-	(1,332,254)	32,661,684
Infrastructure	1,040,001,723	2,356,829	3,188,072	-	1,045,546,624
Total	<u>1,257,021,205</u>	<u>10,882,253</u>	<u>15,616,140</u>	<u>(4,793,467)</u>	<u>1,278,726,131</u>
Less accumulated depreciation for:					
Buildings and improvements	44,570,315	5,217,102	-	(1,831,355)	47,956,062
Machinery and equipment	17,273,602	1,329,491	-	(251,994)	18,351,099
Vehicles	17,693,398	2,139,281	-	(1,138,762)	18,693,917
Infrastructure	485,207,254	42,338,562	-	-	527,545,816
Total	<u>564,744,569</u>	<u>51,024,436</u>	<u>-</u>	<u>(3,222,111)</u>	<u>612,546,894</u>
Total capital assets, being depreciated, net	<u>692,276,636</u>	<u>(40,142,183)</u>	<u>15,616,140</u>	<u>(1,571,356)</u>	<u>666,179,237</u>
Governmental activities capital assets, net	<u>\$ 998,637,698</u>	<u>\$ (14,599,355)</u>	<u>\$ -</u>	<u>\$ (2,702,625)</u>	<u>\$ 981,335,718</u>

Internal service funds predominately serve the governmental funds. Accordingly, capital assets for the Fleet Services Internal Service Fund totaling \$749,944 with accumulated depreciation of \$484,925 are included as part of the above totals for governmental activities at the current fiscal year end.

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Construction in progress	\$ -	\$ 40,482	\$ 60,000	\$ -	\$ 100,482
Capital assets, being depreciated:					
Machinery and equipment	5,014,312	78,280	(60,000)	(346,105)	4,686,487
Less accumulated depreciation for:					
Machinery and equipment	1,150,923	428,487	-	(222,023)	1,357,387
Total depreciable capital assets, net	<u>3,863,389</u>	<u>(350,207)</u>	<u>(60,000)</u>	<u>(124,082)</u>	<u>3,329,100</u>
Business-type activities capital assets, net	<u>\$ 3,863,389</u>	<u>\$ (309,725)</u>	<u>\$ -</u>	<u>\$ (124,082)</u>	<u>\$ 3,429,582</u>

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

Governmental activities:	
General government	\$ 636,764
Judicial	440,871
Public safety	4,165,503
Public works	42,699,009
Health and welfare	142,216
Culture and recreation	2,846,292
Housing and development	63,448
Fleet services	30,333
Total depreciation expense- governmental activities	<u>\$ 51,024,436</u>
Business-type activities:	
Emergency Medical Services Fund	\$ 397,153
Conference Center Fund	31,334
	<u>\$ 428,487</u>

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

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Capital assets, nondepreciable	\$ 315,156,481	\$ 100,482	\$ 315,256,963
Capital assets, depreciable, net	666,179,237	3,329,100	669,508,337
Bonds payable	(77,740,832)	-	(77,740,832)
Capital leases payable	(674,701)	-	(674,701)
Retainage payable	(2,138,413)	-	(2,138,413)
Unspent bond proceeds	3,008,581	-	3,008,581
Net investment in capital assets	<u>\$ 903,790,353</u>	<u>\$ 3,429,582</u>	<u>\$ 907,219,935</u>

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

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 3,172,001	\$ -	\$ (1,087,416)	\$ 2,084,585
Capital assets, being depreciated				
Infrastructure	120,911	-	-	120,911
Less accumulated depreciation for:				
Infrastructure	-	-	-	-
Total capital assets, being depreciated, net	<u>120,911</u>	<u>-</u>	<u>-</u>	<u>120,911</u>
Total capital assets, net	<u>\$ 3,292,912</u>	<u>\$ -</u>	<u>\$ (1,087,416)</u>	<u>\$ 2,205,496</u>

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

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 2,588,198	\$ 2,196,779	\$ (884,815)	\$ 3,900,162
Construction in progress	618,998	558,829	(304,324)	873,503
Total capital assets, not being depreciated	<u>3,207,196</u>	<u>2,755,608</u>	<u>(1,189,139)</u>	<u>4,773,665</u>
Capital assets, being depreciated				
Machinery and equipment	1,052,095	-	-	1,052,095
Less accumulated depreciation for:				
Machinery and equipment	<u>187,040</u>	<u>93,520</u>	<u>-</u>	<u>280,560</u>
Total capital assets, being depreciated, net	<u>865,055</u>	<u>(93,520)</u>	<u>-</u>	<u>771,535</u>
Total capital assets, net	<u>\$ 4,072,251</u>	<u>\$ 2,662,088</u>	<u>\$ (1,189,139)</u>	<u>\$ 5,545,200</u>

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**D. Discretely Presented Component Unit- Library**

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated				
Land and land improvements	\$ 1,062,000	\$ -	\$ -	\$ 1,062,000
Construction in progress	42,098	10,613	-	52,711
Total capital assets, not being depreciated	<u>1,104,098</u>	<u>10,613</u>	<u>-</u>	<u>1,114,711</u>
Depreciable capital assets:				
Buildings	8,880,550	-	-	8,880,550
Improvements	400,353	-	-	400,353
Vehicles	71,573	78,268	-	149,841
Furniture and equipment	676,429	-	(21,583)	654,846
Books and collections	4,215,164	341,734	(451,356)	4,105,542
Total depreciable capital assets	<u>14,244,069</u>	<u>420,002</u>	<u>(472,939)</u>	<u>14,191,132</u>
Less accumulated depreciation for:				
Buildings	3,996,710	222,015	-	4,218,725
Improvements	212,638	20,018	-	232,656
Vehicles	70,826	4,659	-	75,485
Furniture and equipment	541,995	30,489	(21,583)	550,901
Books and collections	3,360,537	416,885	(451,356)	3,326,066
Total accumulated depreciation	<u>8,182,706</u>	<u>694,066</u>	<u>(472,939)</u>	<u>8,403,833</u>
Total capital assets, being depreciated, net	<u>6,061,363</u>	<u>(274,064)</u>	<u>-</u>	<u>5,787,299</u>
Total capital assets, net	<u>\$ 7,165,461</u>	<u>\$ (263,451)</u>	<u>\$ -</u>	<u>\$ 6,902,010</u>

**E. Discretely Presented Component Unit- Department of Public Health**

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, being depreciated				
Furniture and equipment	\$ 1,798,619	\$ 181,160	\$ -	\$ 1,979,779
Improvements	170,864	56,542	-	227,406
Total depreciable capital assets	<u>1,969,483</u>	<u>237,702</u>	<u>-</u>	<u>2,207,185</u>
Less accumulated depreciation for:				
Furniture and equipment	1,620,027	77,298	-	1,697,325
Improvements	68,339	12,998	-	81,337
Total accumulated depreciation	<u>1,688,366</u>	<u>90,296</u>	<u>-</u>	<u>1,778,662</u>
Total capital assets, net	<u>\$ 281,117</u>	<u>\$ 147,406</u>	<u>\$ -</u>	<u>\$ 428,523</u>

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**NOTE 7. LONG-TERM DEBT**

**Primary Government**

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2017:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental activities:</b>					
Bonds payable	\$ 85,830,000	\$ -	\$ (8,730,000)	\$ 77,100,000	\$ 4,915,000
Less: discounts	(156,280)	-	12,443	(143,837)	-
Add: premiums	899,585	-	(114,916)	784,669	-
Bonds payable, net	86,573,305	-	(8,832,473)	77,740,832	4,915,000
Capital leases	594,191	215,476	(134,966)	674,701	156,189
Net pension liability	47,245,364	19,173,579	(12,367,431)	54,051,512	-
Claims payable	452,729	1,244,773	(978,866)	718,636	538,977
Compensated absences	10,382,577	4,554,247	(3,889,997)	11,046,827	8,285,120
Landfill postclosure	1,672,637	-	(169,990)	1,502,647	167,940
Governmental activities Long-term liabilities	<u>\$ 146,920,803</u>	<u>\$ 25,188,075</u>	<u>\$ (26,373,723)</u>	<u>\$ 145,735,155</u>	<u>\$ 14,063,226</u>

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

<b>Business-type activities:</b>					
Compensated absences	\$ 609,121	\$ 259,740	\$ (266,175)	\$ 602,686	\$ 452,015
Net pension liability	3,108,260	1,201,148	(802,426)	3,506,982	-
Business-type activities Long-term liabilities	<u>\$ 3,717,381</u>	<u>\$ 1,460,888</u>	<u>\$ (1,068,601)</u>	<u>\$ 4,109,668</u>	<u>\$ 452,015</u>



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**Bonds payable.** The County has general obligation bonds payable and a solid waste disposal revenue bond outstanding at September 30, 2017, which includes the following individual issues:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Parks and recreation- 2009	2.00% - 5.00%	20 years	2029	\$ 45,000,000	\$ 3,735,000
Resource recovery revenue bond-2007A	4.65% - 5.00%	30 years	2037	13,205,000	9,205,000
Resource recovery revenue bond-2007B	5.80%	15 years	2022	4,940,000	2,075,000
Recovery zone economic development bond-2010	4.52%	15 years	2025	10,767,000	8,767,000
Recreation bond- 2012	1.90%	15 years	2026	11,410,000	4,910,000
Recreation bond- 2014	2.84%	15 years	2029	22,823,000	20,423,000
Refunding bond- 2016	1.67%	14 years	2029	28,450,000	27,985,000
				Plus unamortized premium	784,669
				Less unamortized discount	(143,837)
					<u>\$77,740,832</u>
				Less current maturities	4,915,000
					<u><u>\$72,825,832</u></u>

The 2016 Refunding bonds were issued to refund a portion of the Series 2009 Parks and Recreation bonds. The refunding reduced total debt service payments by \$3,617,333, resulting in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,252,728. The amount of defeased debt outstanding but removed for the County's records totaled \$25,295,000 at September 30, 2017.

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

Fiscal Year Ending September 30,	Principal	Interest
2018	\$ 4,915,000	\$ 2,451,619
2019	5,115,000	2,291,034
2020	5,345,000	2,088,119
2021	5,540,000	1,939,971
2022	28,300,000	7,226,210
2023-2027	22,465,000	3,026,257
2028-2032	4,150,000	1,067,250
2033-2037	1,270,000	58,000
	<u>\$ 77,100,000</u>	<u>\$20,148,460</u>

**Capital Leases.** Various capital leases for financing vehicles were entered into by the County. The leases expire beginning fiscal year 2021 through 2022. The gross amount of Governmental Activities capital assets on the balance sheet recorded under capital leases is \$823,000 and accumulated depreciation is \$203,805. Amortization expense of the assets recorded under the capital leases is included in depreciation expense. The debt service requirements on these leases are as follows:

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Fiscal Year Ending September 30,	Principal	Interest
2018	\$ 156,189	\$ 28,717
2019	162,100	27,189
2020	164,662	24,627
2021	157,154	20,494
2022	34,596	745
	<u>\$ 674,701</u>	<u>\$ 101,772</u>

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

The County elected an early closure date of October 3, 1993, and for that reason was exempt from the 30 year rule, and was required to monitor the landfill for only five years. However, recent monitoring has detected levels of contamination higher than permissible, and engineers are in the process of assessing the corrective measures to be taken. At this time, engineering studies estimate postclosure costs of approximately \$1,502,647 over the next 8 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, 2017. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

**NOTE 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of September 30, 2017, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 239,132
General Fund	Internal service funds	84,138
		<u>\$ 323,270</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, 2017 are as follows:

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Transfer In Fund	Transfer Out Fund	Amount
Nonmajor governmental funds	SPLOST	\$ 459,280
Nonmajor governmental funds	General fund	7,748,055
Nonmajor governmental funds	Nonmajor governmental funds	232,189
		8,439,524
EMS	General fund	1,467,591
Nonmajor enterprise funds	Nonmajor governmental funds	114,232
		1,581,823
Internal service funds	General fund	14,377
		\$ 10,035,724

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

**NOTE 9. DEFINED BENEFIT PENSION PLAN**

**A. Primary Government**

**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](http://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, 2017, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

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Retirees, Beneficiaries, and Disables receiving benefits	347
Terminated plan participants entitled to but not yet receiving benefits	690
Active employees participating in the Plan	1,264
Total number of Plan participants	2,301

**Contributions.** The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended September 30, 2017, the County's contribution rate was 9.8% of annual payroll. County contributions to the Plan were \$6,606,852 for the year ended September 30, 2017.

**Net Pension Liability of the County.** The County's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2016 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2016.

**Actuarial Assumptions.** The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.00% - 5.50%, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study through December 31, 2015.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33%) and 30-year benchmarks (33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33%), 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, 2016 are summarized in the table below:

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Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30%	2.37%
Large Cap equity	30%	1.68%
International equity	15%	0.87%
Other equity	20%	1.36%
Real estate	5%	0.54%
	<u>100%</u>	

\*Rates shown are net of the 3.00% assumed rate of inflation.

**Discount rate.** The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

**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, 2017 were as follows:

	<b>Total Pension Liability (a)</b>	<b>Net Fiduciary Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at September 30, 2016	\$ 110,064,461	\$ 59,710,837	\$ 50,353,624
Changes for the year:			
Service cost	3,704,315	-	3,704,315
Interest	8,040,120	-	8,040,120
Contributions - employer	-	5,098,795	(5,098,795)
Contributions - employee	-	3,661,184	(3,661,184)
Net investment income	-	4,409,878	(4,409,878)
Benefit payments, including refunds of employee contributions	(5,725,728)	(5,725,728)	-
Administrative expense	-	(199,710)	199,710
Changes in assumptions	4,142,261	-	4,142,261
Differences in expected and actual experience	3,745,052	-	3,745,052
Other changes	-	(543,269)	543,269
Net changes	<u>13,906,020</u>	<u>6,701,150</u>	<u>7,204,870</u>
Balances at September 30, 2017	<u>\$ 123,970,481</u>	<u>\$ 66,411,987</u>	<u>\$ 57,558,494</u>

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

**Sensitivity of the net pension liability to changes in the discount rate.** The following presents the net pension liability of the County, calculated using the discount rate of 7.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

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	1% Decrease (6.25%)	Current discount rate (7.25%)	1% Increase (8.25%)
County's net pension liability	\$76,361,874	\$ 57,558,494	\$42,139,797

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, 2016 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, 2017, the County recognized pension expense of \$7,212,460. At September 30, 2017, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 8,027,097
Assumption changes	5,596,222
Contributions made after the measurement date	5,379,250
Total	\$ 19,002,569

The County's contributions subsequent to the measurement date of \$5,379,250 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, 2018. The other amount reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2017	\$ 2,724,664
2018	2,724,664
2019	2,724,664
2020	2,724,664
2021	2,724,663
	\$ 13,623,319

**B. Discretely Presented Component Units – Department of Public Health**

**Plan Description.** All full-time personnel employed by the Board of Health participate in the Employees' Retirement System of Georgia (ERS), which is a cost-sharing multiple-employer, defined benefit, public employee retirement system (PERS). ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the

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authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at [www.ers.ga.gov/formspubs/formspubs](http://www.ers.ga.gov/formspubs/formspubs).

The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEP). Employees under the Old Plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are New Plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Members may retire and receive a normal monthly retirement benefit after 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

**Contributions.** The employer contribution rate varies depending on which retirement plan an employee is enrolled. Employees whose full-time employment began before July 1, 1982, participate in the "old" plan. Employees whose full-time employment began between July 1, 1982, and December 31, 2008, are enrolled in the "new" plan. All employees whose full-time employment began after January 1, 2009, are enrolled in the GSEPS plan.

Member contributions under the old plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the Old Plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the New Plan and GSEPS are 1.25% of annual compensation. The Department's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2017 was 20.06% of annual covered payroll for Old Plan members, 24.81% of New Plan members, and 21.81% for GSEPS members. The Board of Health's contributions totaled \$1,264,515 for the year ended June 30, 2017.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.**

At June 30, 2017, the Cherokee County Board of Health reported a liability of \$8,954,117 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. The Board of Health's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2016. At June 30, 2016, the Board of Health's proportion was 0.189288%, which was an increase of 0.006519% from its portion measured as of June 30, 2015.

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

For the year ended June 30, 2017, the Board of Health recognized pension expense (benefit) of \$(505,951). At June 30, 2017, the Board of Health reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 910,383	\$ -
Differences between expected and actual experience	-	20,680
Changes of Assumptions	75,844	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	161,244	33,475
Employer contributions subsequent to the measurement date	1,264,515	-
<b>Total</b>	<b>\$ 2,411,986</b>	<b>\$ 54,155</b>

The \$1,264,515 of deferred outflows of resources resulting from the Board of Health's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in the pension expense as follows:

Year Ended September 30:

2018	\$ 185,921
2019	112,294
2020	490,829
2021	304,272
	<b>\$ 1,093,316</b>

**Actuarial assumptions.** The total pension liability was determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25%-7.00%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2009- June 30, 2014.



**CHEROKEE COUNTY, GEORGIA**  
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The long-term expected rate of return on the pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	-0.50%
Domestic Large Stocks	37.20%	9.00%
Domestic Mid Stocks	3.40%	12.00%
Domestic Small Stocks	1.40%	13.50%
International Developed Market Stocks	17.80%	8.00%
International Emerging Market Stocks	5.20%	12.00%
Alternatives	5.00%	10.50%
	<u>100.00%</u>	

\*Rates shown are net of the 2.75% assumed rate of inflation.

**Discount rate.** The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, 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 the pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

**Sensitivity of the Board of Health's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the Board of Health's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the Board of Health's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or higher than the current rate:

	1% Decrease (6.5%)	Current discount rate (7.5%)	1% Increase (8.5%)
Board of Health's proportionate share of net pension liability	\$ 12,134,489	\$ 8,954,117	\$ 6,243,809

**Actuarial Valuation Date.** June 30, 2015 is the actuarial valuation date upon which the total pension liability for the plan is based. An expected total pension liability is determined as of June 30, 2016 using standard roll forward techniques. The roll forward calculation adds the annual normal cost (also called service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year.

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

**Plan Fiduciary Net Position.** Detailed information about the ERS fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report. That report may be obtained via the internet at [www.ers.ga.gov](http://www.ers.ga.gov).

**C. Discretely Presented Component Units – Sequoyah Regional Library System**

**Plan Description.** The Sequoyah Regional Library System employees are provided a pension through the Teacher Retirement System of Georgia (TRS). TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at [www.trsga.com/publications](http://www.trsga.com/publications).

**Benefits Provided.** TRS provides service retirement, disability retirement and death benefits. Normal retirement benefits are determined at 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of creditable service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service, regardless of age, or after 10 years of service and attainment of age 60. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired upon the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

**Contributions:** Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2017. The Library's contractually required contribution rate for the year ended June 30, 2017 was 14.27% of annual payroll. Library contributions to TRS were \$259,513.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflow of Resources Related to Pensions.** At June 30, 2017, the Library reported a liability of \$3,198,854 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2015. An expected total pension liability as of June 30, 2016 was determined using standard roll forward techniques. The Library's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2016. At June 30, 2016, the Library's proportion was 0.015505% which was an increase of 0.000302% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Library recognized pension expense of \$324,777. At June 30, 2017, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 404,668	\$ -
Changes of assumptions	82,910	-
Differences between expected and actual experience	47,654	15,818
Changes in proportion and differences between employer contributions and proportionate share of contributions	40,594	78,860
Employer contributions subsequent to the measurement date	259,513	-
Total	\$ 835,339	\$ 94,678

Library contributions subsequent to the measurement date of \$259,513 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:

2017	\$ 44,503
2018	44,503
2019	220,108
2020	163,883
2022	8,151
	\$ 481,148

**Actuarial Assumptions.** The total pension liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2015 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25% - 9.00%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 White Collar Mortality Table with projection scale BB set forward one year for males. Rates of mortality in active service were based on the RP 2000 Employee Mortality Table with projection scale BB.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2009- June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	0.50%
Domestic Large Stocks	39.80%	9.00%
Domestic Mid Stocks	3.70%	12.00%
Domestic Small Stocks	1.50%	13.50%
International Developed Market Stocks	19.40%	8.00%
International Emerging Market Stocks	5.60%	12.00%
	100.00%	

\*Rates shown are net of the 3.00% assumed rate of inflation.

**Discount Rate.** The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, 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 periods of projected benefit payments to determine the total pension liability. The following presents the Library's proportionate share of net pension liability calculated using the discount rate of 7.50%, as well as what the Library's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.5%)	Current discount rate (7.5%)	1% Increase (8.5%)
Library's proportionate share of net pension liability	\$ 4,979,056	\$ 3,198,854	\$ 1,733,152

**Pension Plan Fiduciary Net Position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at [www.trsga.com/publications](http://www.trsga.com/publications).

**NOTE 10. DEFINED CONTRIBUTION PENSION PLAN**

Prior to January 1, 2003, the County offered its employees a defined contribution money purchase pension plan, a single employer plan, in accordance with Internal Revenue Code Section 401 (a). Effective January 1, 2003, this Plan was closed to new enrollees. The Plan was established by the Cherokee County Board of Commissioners and is administered by Massachusetts Mutual. It is available to all full-time employees who work more than 1,716 hours per year. Employees are 100% vested in the County's contributions after five years of service. The County has the authority to amend the Plan provisions. At September 30, 2017, there were 8 active participants in the Plan. The contributions are not available to Plan participants until termination, retirement, death, or disability. Contribution requirements are established and may be amended by the Cherokee County Board of Commissioners. The County contributes 4% of eligible salary to the 401(a) Plan and a 50% matching contribution for every employee dollar contributed to the deferred compensation plan (Section 457 plan) up to 3% of pay. Employees are not required to contribute. For the fiscal year ended September 30, 2017, the County's contribution to the Plan was \$40,424. There are no administrative fees charged

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

directly to the Plan or participants. No publicly available financial report that includes financial statements and required supplementary information issued.

**NOTE 11. OTHER POSTEMPLOYMENT BENEFITS**

**A. Plan Description**

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

The County offers postemployment benefits to eligible employees enrolled in the County’s medical plans. The Plan is administered by Blue Cross-Blue Shield and amendments or changes to the Plan are made by the County’s Board of Commissioners. There are no separately issued financial statements related to the County’s Plan.

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

**Retirement Options/Benefit Provisions**

Eligible retirees are offered the same health and prescription drug coverage as active employees. Relative to costs for the Medical/Rx EPO Plan, Retirees contribute \$623.14 for retiree only, \$1,007.35 for retiree plus spouse, or \$1,632.67 for retiree plus family, per month towards the actuarially calculated monthly rates (i.e., the Fully Insured Equivalent rates).

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

**Eligibility**

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.

**Fund Membership**

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of October 1, 2014.

Active employees (fully eligible)	101
Active employees (not fully eligible)	844
Retirees	54
Total number of Plan participants	999

**B. Contributions**

The schedule below shows the annual OPEB cost for the current fiscal year and prior fiscal years and periods along with the percentage actually contributed by the County.

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

Fiscal Year Beginning	Annual OPEB Cost	Annual County Contribution	Percentage of OPEB Cost Contributed	Net OPEB Obligation (Asset)
10/1/2016	\$ 458,209	\$ 490,654	107.08%	\$ (365,770)
10/1/2015	452,551	750,011	165.73%	(333,325)
10/1/2014	451,380	513,039	113.66%	(35,865)

**C. Schedule of Funding Progress**

As of the most recent valuation date, October 1, 2014, the funded status of the OPEB Plan was as follows:

Actual Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2014	\$ -	\$ 5,411,832	\$ 5,411,832	0.00%	\$ 52,217,792	-10.36%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

**D. Annual OPEB Cost**

The County's annual OPEB cost and net OPEB obligation for the OPEB Plan for the fiscal year beginning October 1, 2016 are as follows:

Annual required contribution	\$ 451,870
Interest on net OPEB obligation (asset)	(11,162)
Adjustment to ARC	17,501
Annual OPEB cost	458,209
Actual contribution to plan	(490,654)
Decrease in net OPEB obligation	(32,445)
Net OPEB obligation (asset), beginning of fiscal year	(333,325)
Net OPEB obligation (asset), end of fiscal year	\$ (365,770)

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 revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of October 1, 2014 and the current sharing pattern of cost between employer and employee. The assumptions used in the October 1, 2014 actuarial valuations are as follows:

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Market Value of Assets
Assumed Rate of Return on Investments	3.35%
Medical Cost Trend Rate	7.50%
Ultimate Medical Cost Trend Rate	5.00%
Year of Ultimate Medical Trend Rate	2020
Amortization Method	Level Dollar, open (1)
Remaining Amortization Period	30 years
Payroll Inflation Rate	3.50%

(1) The grandfathered benefits are amortized over a remaining period of 20 years.

**NOTE 12. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts, thefts, damage and destruction of assets; errors and omissions; and natural disasters. The County is Self- Insured for Workers' Compensation claims. 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 policy has a Self-Insured Retention level and it has increased over the years. The policy premium is based on loss experience and payroll by risk code. After the Self Insured Retention is reached, the Provider, Midwest Employers Casualty Company, will reimburse the County for any amount over the Self Insurance Retention. The Self Insurance Retention for fiscal year 2017 was \$750,000 for police and fire employees and \$500,000 for all other employees. 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.

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

Fiscal Year/ Period	Beginning of Year Claims Liability	Current Year		
		Claims and Changes In Estimates	Claims Paid	End of Year Claims Liability
2017	\$ 452,729	\$ 1,244,773	\$978,866	\$ 718,636
2016	494,757	796,318	838,346	452,729
2015	424,329	910,196	839,768	494,757
2014	590,274	810,716	976,661	424,329

**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

**NOTE 13. COMMITMENTS AND CONTINGENT LIABILITIES**

**Contractual Commitments:**

In addition to the liabilities enumerated in the balance sheet, at September 30, 2017, the County has contractual commitments on uncompleted contracts of \$7,047,494.

**Litigation:**

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

**Grant Contingencies:**

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

**NOTE 14. EXCESS EXPENDITURES OVER APPROPRIATIONS**

The following had expenditures in excess of appropriations for the fiscal year ended September 30, 2017:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
General fund			
Debt service - principal	\$ 91,563	\$ 107,348	\$ (15,785)
SPLOST 2012 fund			
Judicial	-	83,083	(83,083)
Public safety	-	40,739	(40,739)
Public works	2,772,383	4,570,014	(1,797,631)
Debt service - principal	13,274	19,362	(6,088)
Multiple Grant fund			
Public safety	461,246	496,249	(35,003)
Animal Services fund			
Public safety	1,265,976	1,266,026	(50)
Parks and Recreation fund			
Debt service - principal	-	5,520	(5,520)
Debt service - interest	-	1,860	(1,860)
SPLOST V fund			
Culture and recreation	976,080	1,000,000	(23,920)
Recreation Bond fund			
Capital outlay	10,110,790	10,120,059	(9,269)
Resource Recovery Development Authority fund			
Debt service - principal	4,001,307	4,435,000	(433,693)
Impact Fees fund			
General government	8,039	10,919	(2,880)



**CHEROKEE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017**

**NOTE 15. FUND BALANCE/NET POSITION DEFICITS**

A net position deficit of \$52,115 exists in the Fleet Services Internal Services Fund. It is expected that charges for services in future years will provide positive net position.

**NOTE 16. HOTEL/MOTEL LODGING TAX**

The County has levied a 6% lodging tax. During the fiscal year ended September 30, 2017, the County spent \$214,232 to promote tourism, conventions, and trade shows. This is 100% of the tax receipts to be expended for these purposes under the Official Code of Georgia Annotated 48-13-51. The County complies with the requirement under this law.

**NOTE 17. 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 2017, 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 \$496,006 during the fiscal year ended September 30, 2017.

**Cherokee County, Georgia**  
**Required Supplementary Information**  
**Schedule of Funding Progress**  
**September 30, 2017**

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**Other Post Retirement Benefits**

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<b>Fiscal Year End</b>	<b>(a) Actuarial Value of Assets</b>	<b>(b) Actuarial Accrued Liability (AAL)</b>	<b>Funded Ratio (a)/(b)</b>	<b>Unfunded AAL/(UAAL) (b)-(a)</b>	<b>(c) Annual Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (b-a/c)</b>
9/30/2017	\$ -	\$ 5,411,832	0.0%	\$ 5,411,832	\$ 52,217,792	-10.36%
9/30/2016	-	5,411,832	0.0%	5,411,832	52,217,792	-10.36%
9/30/2015	-	5,411,832	0.0%	5,411,832	52,217,792	-10.36%
9/30/2014	-	4,686,000	0.0%	4,686,000	48,820,714	-9.60%
9/30/2013	-	4,818,000	0.0%	4,818,000	45,539,495	-10.58%

Note: See assumptions used for the Schedule of Funding Progress in Note 11 to the financial statements.

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

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

**Notes to the Schedule:**

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

**Cherokee County, Georgia**  
**Required Supplementary Information**  
**Schedule of Pension Contributions**

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

**Notes to the Schedule:**

Valuation Date:	January 1, 2016
Actuarial cost method	Entry Age Normal
Asset valuation method	Smoothed market value with a 5-year smoothing period
 Assumed Rate of Return on Investments	 7.25%
Projected Salary Increases	3.00% - 5.50% (including 3.00% for inflation)
Cost-of-living Adjustment	3.00%
Amortization method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

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

**Cherokee County, Georgia**  
**Component Unit- Cherokee County Board of Health**  
**Required Supplementary Information**  
**Schedule of Employer's Proportionate**  
**Share of the Net Pension Liability**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.189288%	0.182769%	0.186356%
Employer's proportionate share of the net pension liability	\$ 8,954,117	\$ 7,404,700	\$6,989,502
Employer's covered payroll	\$ 4,608,993	\$4,391,260	\$4,431,088
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	194.28%	168.62%	157.74%
Plan fiduciary net position as a percentage of the total pension liability	72.34%	76.20%	77.99%

**Notes to the Schedule:**

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

**Cherokee County, Georgia**  
**Component Unit- Cherokee County Board of Health**  
**Required Supplementary Information**  
**Schedule of Employer's Pension Contributions**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,264,515	\$1,087,979	\$ 920,619	\$ 777,574
Contributions in relation to the contractually required contribution	<u>\$ 1,264,515</u>	<u>1,087,979</u>	<u>920,619</u>	<u>777,574</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,334,467	\$4,608,933	\$4,391,260	\$4,431,088
Contributions as a percentage of covered payroll	23.70%	23.61%	20.96%	17.55%

**Notes to the Schedule:**

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

**Cherokee County, Georgia**  
**Component Unit- Sequoyah Regional Library System**  
**Required Supplementary Information**  
**Schedule of Employer's Proportionate**  
**Share of the Net Pension Liability**

	<u>2017</u>	<u>2015</u>	<u>2016</u>
Employer's proportion of the net pension liability	0.015505%	0.015203%	0.015769%
Employer's proportionate share of the net pension liability	\$ 3,198,854	\$ 2,314,506	\$ 1,992,205
Employer's covered payroll	\$ 1,817,266	\$ 1,700,788	\$ 1,604,797
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	176.03%	136.08%	124.14%
Plan fiduciary net position as a percentage of the total pension liability	76.06%	81.44%	84.03%

**Notes to the Schedule:**

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

**Cherokee County, Georgia**  
**Component Unit- Sequoyah Regional Library System**  
**Required Supplementary Information**  
**Schedule of Employer's Pension Contributions**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 259,513	\$ 242,702	\$ 211,031
Contributions in relation to the contractually required contribution	<u>259,513</u>	<u>242,702</u>	<u>211,031</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,817,266	\$ 1,700,788	\$ 1,604,797
Contributions as a percentage of covered payroll	14.28%	14.27%	13.15%

**Notes to the Schedule:**

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



**Cherokee County, Georgia**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended September 30, 2017**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>With Final Budget</b>
<b>Revenues</b>				
Property taxes	\$ 55,694,627	\$ 55,773,749	\$ 56,625,489	\$ 851,740
Franchise taxes	2,075,000	2,075,000	2,690,800	615,800
Insurance premiums taxes	8,877,248	8,970,650	9,300,914	330,264
Licenses and permits	2,457,000	2,484,240	3,252,195	767,955
Intergovernmental	48,000	48,000	66,646	18,646
Fines and forfeitures	4,085,000	4,085,000	4,666,765	581,765
Charges for services	5,743,800	6,080,599	6,936,465	855,866
Interest	80,000	80,000	311,915	231,915
Other	921,973	921,973	1,003,635	81,662
Total revenues	<u>79,982,648</u>	<u>80,519,211</u>	<u>84,854,824</u>	<u>4,335,613</u>
<b>Expenditures</b>				
<b>Current:</b>				
<b>General government</b>				
County commission	284,623	284,623	262,175	22,448
County manager	553,985	555,523	555,523	-
County clerk	126,254	126,254	125,170	1,084
Administrative services agencies	250,394	250,394	213,642	36,752
Elections	790,221	790,221	706,556	83,665
Finance	873,847	878,867	844,834	34,033
County attorney	436,860	436,860	270,491	166,369
Data processing	2,327,149	2,327,149	2,302,432	24,717
Human resources	356,228	370,604	361,371	9,233
Tax commissioner	1,956,560	1,984,907	1,977,121	7,786
Tax assessor	2,334,602	2,334,602	2,306,630	27,972
Development services administration	426,532	453,772	441,521	12,251
GIS/mapping	339,187	339,187	332,333	6,854
Building and grounds	1,132,918	1,430,252	1,426,937	3,315
General administration	169,668	169,668	78,555	91,113
Total general government	<u>12,359,028</u>	<u>12,732,883</u>	<u>12,205,291</u>	<u>527,592</u>
<b>Judicial</b>				
Court administration	1,652,563	1,652,563	1,568,183	84,380
Superior court	437,323	437,323	350,259	87,064
Clerk of superior court	3,409,161	3,455,425	3,455,422	3
Board of equalization	26,713	26,713	21,312	5,401
Clerk of court technology fund	249,000	249,000	123,175	125,825
District attorney	2,500,842	2,500,842	2,407,098	93,744
State court	886,473	886,473	794,579	91,894
State court solicitor	1,739,948	1,745,526	1,697,465	48,061
Magistrate court	388,262	388,262	340,973	47,289
Probate court	807,090	807,090	789,816	17,274
Indigent defense	1,965,113	1,965,113	1,903,617	61,496
Juvenile court	1,284,929	1,284,929	1,212,956	71,973
Total judicial	<u>15,347,417</u>	<u>15,399,259</u>	<u>14,664,855</u>	<u>734,404</u>
<b>Public safety</b>				
Sheriff	35,896,133	35,927,478	35,743,353	184,125
Coroner	250,382	250,382	239,170	11,212
Animal control	440,804	440,804	392,395	48,409
Total public safety	<u>36,587,319</u>	<u>36,618,664</u>	<u>36,374,918</u>	<u>243,746</u>

(continued)

**Cherokee County, Georgia**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Year Ended September 30, 2017**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>With Final Budget</b>
<b>Public works</b>				
Recycling	218,716	263,057	263,026	31
Roads	4,506,357	4,525,531	4,277,078	248,453
Postclosure care	161,100	172,179	172,179	-
Total public works	<u>4,886,173</u>	<u>4,960,767</u>	<u>4,712,283</u>	<u>248,484</u>
<b>Health and welfare</b>				
Public health administration	203,493	203,493	201,825	1,668
Aid to dependent children	97,000	97,000	89,740	7,260
Aid to the disabled	12,000	12,000	12,000	-
Children and youth services	36,300	36,300	36,300	-
County extension	84,546	84,546	84,537	9
Senior center	5,434	5,434	4,558	876
Total health and welfare	<u>438,773</u>	<u>438,773</u>	<u>428,960</u>	<u>9,813</u>
<b>Housing and development</b>				
Code enforcement	1,016,269	1,040,972	1,040,972	-
Conservation	67,829	68,417	68,416	1
Planning and zoning	946,383	971,968	971,967	1
Permits and inspections	710,844	710,844	610,681	100,163
Forestry services	14,561	14,561	14,561	-
Economic development	970,853	970,853	632,910	337,943
Total housing and development	<u>3,726,739</u>	<u>3,777,615</u>	<u>3,339,507</u>	<u>438,108</u>
<b>Culture and recreation</b>				
Community arts centers	73,957	73,957	70,090	3,867
Library	2,101,826	2,101,826	2,101,826	-
Total recreation and culture	<u>2,175,783</u>	<u>2,175,783</u>	<u>2,171,916</u>	<u>3,867</u>
<b>Debt service:</b>				
Principal	91,563	91,563	107,348	(15,785)
Interest	26,154	26,154	17,928	8,226
Total debt service	<u>117,717</u>	<u>117,717</u>	<u>125,276</u>	<u>(7,559)</u>
Total expenditures	<u>75,638,949</u>	<u>76,221,461</u>	<u>74,023,006</u>	<u>2,198,455</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,343,699</u>	<u>4,297,750</u>	<u>10,831,818</u>	<u>6,534,068</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from sale of capital assets	-	28,753	242,250	213,497
Issuance of capital lease	-	24,460	65,988	41,528
Insurance reimbursement	-	-	43,772	43,772
Transfers out	(9,093,699)	(9,179,689)	(9,230,023)	(50,334)
Total other financing sources (uses)	<u>(9,093,699)</u>	<u>(9,126,476)</u>	<u>(8,878,013)</u>	<u>248,463</u>
Net change in fund balance	(4,750,000)	(4,828,726)	1,953,805	6,782,531
Fund balance, beginning of year	<u>27,715,202</u>	<u>27,715,202</u>	<u>27,715,202</u>	<u>-</u>
Fund balance, end of year	<u>\$ 22,965,202</u>	<u>\$ 22,886,476</u>	<u>\$ 29,669,007</u>	<u>\$ 6,782,531</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, 2017**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Property taxes	\$22,107,269	\$22,107,269	\$ 22,810,290	\$ 703,021
Licenses and permits	35,000	35,000	78,408	43,408
Intergovernmental	3,000	4,034,634	4,142,171	107,537
Charges for services	1,580,000	-	2,183	2,183
Interest	20,000	20,000	89,246	69,246
Other	-	-	150	150
Total revenues	<u>23,745,269</u>	<u>26,196,903</u>	<u>27,122,448</u>	<u>925,545</u>
<b>Expenditures</b>				
Current				
Public safety	<u>24,228,107</u>	<u>26,679,741</u>	<u>26,667,477</u>	<u>12,264</u>
Total expenditures	<u>24,228,107</u>	<u>26,679,741</u>	<u>26,667,477</u>	<u>12,264</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(482,838)</u>	<u>(482,838)</u>	<u>454,971</u>	<u>937,809</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	68,751	68,751
Insurance reimbursement	-	-	15,164	15,164
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>83,915</u>	<u>83,915</u>
<b>Net Change in Fund Balances</b>	(482,838)	(482,838)	538,886	1,021,724
<b>Fund Balances Beginning of Year</b>	<u>6,735,192</u>	<u>6,735,192</u>	<u>6,735,192</u>	<u>-</u>
<b>Fund Balances End of Year</b>	<u>\$ 6,252,354</u>	<u>\$ 6,252,354</u>	<u>\$ 7,274,078</u>	<u>\$ 1,021,724</u>

# CHEROKEE COUNTY, GEORGIA

## MAJOR GOVERNMENTAL FUNDS

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### Capital Project Funds

**SPLOST 2012** – To account for proceeds of a special 1% local sales tax levy approved by voters in 2011 for an authorized period of six years, between July 2012 – June 2018, and for a total amount of up to \$185.5 million. The proceeds of this special tax are designated for 1) jail expansion, law enforcement and fire/EMS training facilities & equipment, advanced life support (ALS) vehicles and equipment, and animal shelter facilities & equipment, 2) transportation facilities, equipment, improvements, and airport facilities and expansion, 3) library facilities, 4) senior center facilities, 5) law enforcement, E-911 and county marshal facilities, vehicles and equipment, 6) business & economic development land acquisition, infrastructure, facilities, debt service, sewer system improvements, 7) courthouse expansion, and 8) fire & emergency services facilities, vehicles and equipment.

**Cherokee County, Georgia**  
**SPLOST 2012 Capital Projects Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended September 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Sales tax	\$ 34,500,000	\$ 34,500,000	\$ 36,606,236	\$ 2,106,236
Intergovernmental	2,055,241	2,055,241	2,178,063	122,822
Investment income	100,000	100,000	355,470	255,470
Other revenues	-	-	200,143	200,143
<b>Total revenues</b>	<b>36,655,241</b>	<b>36,655,241</b>	<b>39,339,912</b>	<b>2,684,671</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	83,083	(83,083)
Public safety	-	-	40,739	(40,739)
Public works	2,772,383	2,772,383	4,570,014	(1,797,631)
Intergovernmental	10,273,127	10,273,127	10,170,527	102,600
Capital outlay	36,978,857	37,067,005	18,482,385	18,584,620
Debt service:				
Principal	13,274	13,274	19,362	(6,088)
Interest	3,777	3,777	3,054	723
<b>Total expenditures</b>	<b>50,041,418</b>	<b>50,129,566</b>	<b>33,369,164</b>	<b>16,760,402</b>
Excess (deficiency) of revenues over (under) expenditures	(13,386,177)	(13,474,325)	5,970,748	19,445,073
<b>Other Financing Sources</b>				
Proceeds from sale of capital asset	-	10,000	10,000	-
Insurance reimbursement	-	136,539	136,539	-
Transfers out	-	(459,280)	(459,280)	-
Total other financing sources (uses)	-	(312,741)	(312,741)	-
<b>Net change in fund balances</b>	<b>(13,386,177)</b>	<b>(13,787,066)</b>	<b>5,658,007</b>	<b>19,445,073</b>
<b>Fund Balances Beginning of Year</b>	<b>41,872,922</b>	<b>41,872,922</b>	<b>41,872,922</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ 28,486,745</b>	<b>\$ 28,085,856</b>	<b>\$ 47,530,929</b>	<b>\$ 19,445,073</b>

# CHEROKEE COUNTY, GEORGIA

## NONMAJOR GOVERNMENTAL FUNDS

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### Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

# CHEROKEE COUNTY, GEORGIA

## NONMAJOR GOVERNMENTAL FUNDS

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### Special Revenue Funds (Continued)

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

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

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

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

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

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

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

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

### Capital Projects Funds

**SPLOST V** – to account for proceeds of a special 1% local sales tax level approved by voters in 2004 for an authorized period of six years, between July 2006- June 2012, and for a total amount of up to \$200 million. The proceeds of this special tax are designated for 1) new administration building, courthouse renovations, and related parking facilities, 2) transportation facilities and equipment, 3) park and recreation facilities, 4) library facilities and books, 5) public safety facilities and equipment, 6) new emergency children's shelter, 7) new driver's license facility, 8) new conference center, 9) renovations to the old Woodstock Elementary School for the benefit of the Appalachian Technical College, and 10) Senior Center expansion.

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

# CHEROKEE COUNTY, GEORGIA

## NONMAJOR GOVERNMENTAL FUNDS

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### Capital Projects Funds (Continued)

**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, 2017

	Special Revenue Funds										
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Parks and Recreation	DA Confiscated Assets
<b>Assets</b>											
Cash	\$ 453,562	\$ 330,893	\$ 85,933	\$ 137,291	\$ -	\$ 616,704	\$ 244,620	\$ 894,080	\$ 33,230	\$ 570,134	\$ 60,451
Investments	-	254,375	-	-	-	-	-	-	-	-	-
Property taxes receivable, net	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	100	-	157,119	1,280	-	232,483	-
Due from other governments	-	-	115,110	-	248,823	7,996	-	23,385	11,533	-	-
Prepaid items	-	-	1,643	-	-	-	2,018	404	145	11,196	-
<b>Total Assets</b>	<u>\$ 453,562</u>	<u>\$ 585,268</u>	<u>\$ 202,686</u>	<u>\$ 137,291</u>	<u>\$ 248,923</u>	<u>\$ 624,700</u>	<u>\$ 403,757</u>	<u>\$ 919,149</u>	<u>\$ 44,908</u>	<u>\$ 813,813</u>	<u>\$ 60,451</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>											
<b>Liabilities</b>											
Accounts payable	-	-	39,015	2,416	60,985	2,176	36,217	23,409	1,173	146,835	-
Accrued liabilities	-	-	15,422	-	14,755	2,517	14,906	3,025	1,858	46,728	-
Due to other funds	-	-	-	-	10,473	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>54,437</u>	<u>2,416</u>	<u>86,213</u>	<u>4,693</u>	<u>51,123</u>	<u>26,434</u>	<u>3,031</u>	<u>193,563</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>											
Unearned revenue- advance registration fees	-	-	-	-	-	-	-	-	-	250,208	-
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,208</u>	<u>-</u>
<b>Fund Balances</b>											
Nonspendable:											
Prepaid items	-	-	1,643	-	-	-	2,018	404	145	11,196	-
Restricted:											
Law library operations	-	585,268	-	-	-	-	-	-	-	-	-
Senior services	-	-	146,606	-	-	-	-	-	-	-	-
Public safety	-	-	-	134,875	-	-	-	-	-	-	-
Court services	-	-	-	-	-	620,007	-	892,311	-	-	60,451
SPLOST projects	-	-	-	-	-	-	-	-	-	-	-
Grant activities	-	-	-	-	162,710	-	-	-	-	-	-
Jail operations and construction	-	-	-	-	-	-	-	-	-	-	-
E911 operations	-	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	41,732	-	-
Cultural and recreation construction	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-	-	-
Committed:											
Jail and inmate services	453,562	-	-	-	-	-	-	-	-	-	-
Animal control	-	-	-	-	-	-	350,616	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-	358,846	-
<b>Total Fund Balances</b>	<u>453,562</u>	<u>585,268</u>	<u>148,249</u>	<u>134,875</u>	<u>162,710</u>	<u>620,007</u>	<u>352,634</u>	<u>892,715</u>	<u>41,877</u>	<u>370,042</u>	<u>60,451</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 453,562</u>	<u>\$ 585,268</u>	<u>\$ 202,686</u>	<u>\$ 137,291</u>	<u>\$ 248,923</u>	<u>\$ 624,700</u>	<u>\$ 403,757</u>	<u>\$ 919,149</u>	<u>\$ 44,908</u>	<u>\$ 813,813</u>	<u>\$ 60,451</u>

Cherokee County, Georgia  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2017

	Special Revenue Fund								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
<b>Assets</b>									
Cash	\$ -	\$ 807,197	\$ 56,944	\$ 1,819,328	\$ -	\$ -	\$ 307,556	175	\$ 71,771
Investments	-	-	-	-	-	-	-	-	-
Property taxes receivable, net	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	736,708	25,641	-	-	-	3,375
Due from other governments	261,362	23,085	-	324,554	-	274,821	84,155	15,511	-
Prepaid items	24	-	-	4,652	-	2,532	48	-	-
<b>Total Assets</b>	<b>\$ 261,386</b>	<b>\$ 830,282</b>	<b>\$ 56,944</b>	<b>\$ 2,885,242</b>	<b>\$ 25,641</b>	<b>\$ 277,353</b>	<b>\$ 391,759</b>	<b>\$ 15,686</b>	<b>\$ 75,146</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	219,094	3,851	-	72,578	-	20,472	37,463	4,361	7,217
Accrued liabilities	2,577	-	-	67,697	-	12,573	4,794	856	2,555
Due to other funds	38,775	-	-	-	25,641	152,766	-	10,469	-
<b>Total Liabilities</b>	<b>260,446</b>	<b>3,851</b>	<b>-</b>	<b>140,275</b>	<b>25,641</b>	<b>185,811</b>	<b>42,257</b>	<b>15,686</b>	<b>9,772</b>
<b>Deferred Inflows of Resources</b>									
Unearned revenue- advance registration fees	-	-	-	-	-	-	-	-	-
Unavailable revenue- property taxes	-	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>									
Nonspendable:									
Prepaid items	24	-	-	4,652	-	2,532	48	-	-
Restricted:									
Law library operations	-	-	-	-	-	-	-	-	-
Senior services	-	-	-	-	-	-	-	-	-
Public safety	-	-	56,944	-	-	-	-	-	-
Court services	-	-	-	-	-	-	-	-	65,374
SPLOST projects	-	-	-	-	-	-	-	-	-
Grant activities	916	-	-	-	-	-	349,454	-	-
Jail operations and construction	-	826,431	-	-	-	-	-	-	-
E911 operations	-	-	-	2,740,315	-	-	-	-	-
Health and welfare	-	-	-	-	-	89,010	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Cultural and recreation construction	-	-	-	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-	-	-
Committed:									
Jail and inmate services	-	-	-	-	-	-	-	-	-
Animal control	-	-	-	-	-	-	-	-	-
Parks and recreation activities	-	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>940</b>	<b>826,431</b>	<b>56,944</b>	<b>2,744,967</b>	<b>-</b>	<b>91,542</b>	<b>349,502</b>	<b>-</b>	<b>65,374</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 261,386</b>	<b>\$ 830,282</b>	<b>\$ 56,944</b>	<b>\$ 2,885,242</b>	<b>\$ 25,641</b>	<b>\$ 277,353</b>	<b>\$ 391,759</b>	<b>\$ 15,686</b>	<b>\$ 75,146</b>

Cherokee County, Georgia  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2017

	Capital Projects Funds					Total
	SPLOST V	Recreation Bond	Resource Recovery Development Authority	Impact Fees	Debt Service	
<b>Assets</b>						
Cash	\$ 1,816,158	\$ 3,008,581	\$ 46,922	\$ 8,081,533	\$ 118,896	\$ 19,561,959
Investments	-	-	-	-	-	254,375
Property taxes receivable, net	-	-	-	-	5,526,465	5,526,465
Accounts receivable, net	-	-	-	69	-	1,156,775
Due from other governments	-	-	-	-	-	1,390,335
Prepaid items	-	12	250,552	-	-	273,226
<b>Total Assets</b>	<u>\$ 1,816,158</u>	<u>\$ 3,008,593</u>	<u>\$ 297,474</u>	<u>\$ 8,081,602</u>	<u>\$ 5,645,361</u>	<u>\$ 28,163,135</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	-	\$ 1,767,064	-	1,038	550	2,445,914
Accrued liabilities	-	2,864	-	202	-	193,329
Due to other funds	-	-	-	-	1,008	239,132
<b>Total Liabilities</b>	<u>-</u>	<u>1,769,928</u>	<u>-</u>	<u>1,240</u>	<u>1,558</u>	<u>2,878,375</u>
<b>Deferred Inflows of Resources</b>						
Unearned revenue- advance registration fees	-	-	-	-	-	250,208
Unavailable revenue- property taxes	-	-	-	-	5,589,451	5,589,451
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,589,451</u>	<u>5,839,659</u>
<b>Fund Balances</b>						
Nonspendable:						
Prepaid items	-	12	250,552	-	-	273,226
Restricted:						
Law library operations	-	-	-	-	-	585,268
Senior services	-	-	-	-	-	146,606
Public safety	-	-	-	-	-	191,819
Court services	-	-	-	-	-	1,638,143
SPLOST projects	1,816,158	-	-	-	-	1,816,158
Grant activities	-	-	-	-	-	513,080
Jail operations and construction	-	-	-	-	-	826,431
E911 operations	-	-	-	-	-	2,740,315
Health and welfare	-	-	-	-	-	130,742
Debt service	-	-	46,922	-	54,352	101,274
Cultural and recreation construction	-	1,238,653	-	-	-	1,238,653
Impact fees	-	-	-	8,080,362	-	8,080,362
Committed:						
Jail and inmate services	-	-	-	-	-	453,562
Animal control	-	-	-	-	-	350,616
Parks and recreation activities	-	-	-	-	-	358,846
<b>Total Fund Balances</b>	<u>1,816,158</u>	<u>1,238,665</u>	<u>297,474</u>	<u>8,080,362</u>	<u>54,352</u>	<u>19,445,101</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 1,816,158</u>	<u>\$ 3,008,593</u>	<u>\$ 297,474</u>	<u>\$ 8,081,602</u>	<u>\$ 5,645,361</u>	<u>\$ 28,163,135</u>

Cherokee County, Georgia  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2017

	Special Revenue										
	Sheriff's Commissary	Law Library	Senior Services	Confiscated Assets	Multiple Grant	Drug Abuse and Treatment	Animal Services	DUI Court	Victim/ Witness	Parks and Recreation	DA Confiscated Assets
<b>Revenues</b>											
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alcoholic beverage taxes	-	-	-	-	-	-	-	-	-	1,090,198	-
Other taxes	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	712,474	-	816,137	-	-	88,684	-	-	-
Fines and forfeitures	-	104,727	-	368,000	200	271,495	71,246	348,279	200,002	-	7,494
Charges for services	606,345	2,850	26,690	-	-	-	738,513	-	-	2,435,024	-
Investment income	-	3,896	-	139	-	2,745	-	-	-	-	-
Contributions	-	-	10,881	-	167,211	-	48,073	77,269	-	40,000	-
Other	-	-	-	-	-	-	-	-	-	14,482	-
<b>Total Revenues</b>	<b>606,345</b>	<b>111,473</b>	<b>750,045</b>	<b>368,139</b>	<b>983,548</b>	<b>274,240</b>	<b>857,832</b>	<b>514,232</b>	<b>200,002</b>	<b>3,579,704</b>	<b>7,494</b>
<b>Expenditures</b>											
Current:											
General government	-	-	-	-	-	-	-	-	-	-	-
Judicial	-	87,884	-	-	375,643	126,202	-	528,774	92,637	-	13,245
Public safety	396,401	-	-	302,916	496,249	-	1,266,026	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	1,211,159	-	396,018	-	-	-	120,000	-	-
Culture and recreation	-	-	-	-	1,326	-	-	-	-	4,968,109	-
Housing and development	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	2,736	-	-	-	-	-	-	5,520	-
Interest	-	-	879	-	-	-	-	-	-	1,860	-
<b>Total Expenditures</b>	<b>396,401</b>	<b>87,884</b>	<b>1,214,774</b>	<b>302,916</b>	<b>1,269,236</b>	<b>126,202</b>	<b>1,266,026</b>	<b>528,774</b>	<b>212,637</b>	<b>4,975,489</b>	<b>13,245</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>209,944</b>	<b>23,589</b>	<b>(464,729)</b>	<b>65,223</b>	<b>(285,688)</b>	<b>148,038</b>	<b>(408,194)</b>	<b>(14,542)</b>	<b>(12,635)</b>	<b>(1,395,785)</b>	<b>(5,751)</b>
<b>Other Financing Sources (Uses)</b>											
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Issuance of capital lease	-	-	31,509	-	-	-	-	-	-	117,979	-
Insurance reimbursement	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	551,980	-	161,704	-	462,718	88,020	-	1,148,714	-
Transfers out	-	-	-	-	-	(144,169)	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>583,489</b>	<b>-</b>	<b>161,704</b>	<b>(144,169)</b>	<b>462,718</b>	<b>88,020</b>	<b>-</b>	<b>1,266,693</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>209,944</b>	<b>23,589</b>	<b>118,760</b>	<b>65,223</b>	<b>(123,984)</b>	<b>3,869</b>	<b>54,524</b>	<b>73,478</b>	<b>(12,635)</b>	<b>(129,092)</b>	<b>(5,751)</b>
<b>Fund Balances Beginning of Year</b>	<b>243,618</b>	<b>561,679</b>	<b>29,489</b>	<b>69,652</b>	<b>286,694</b>	<b>616,138</b>	<b>298,110</b>	<b>819,237</b>	<b>54,512</b>	<b>499,134</b>	<b>66,202</b>
<b>Fund Balances End of Year</b>	<b>\$ 453,562</b>	<b>\$ 585,268</b>	<b>\$ 148,249</b>	<b>\$ 134,875</b>	<b>\$ 162,710</b>	<b>\$ 620,007</b>	<b>\$ 352,634</b>	<b>\$ 892,715</b>	<b>\$ 41,877</b>	<b>\$ 370,042</b>	<b>\$ 60,451</b>

Cherokee County, Georgia  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2017

	Special Revenue								
	CDBG	Jail	Sheriff's Forfeiture	E-911	Hotel Motel	Transportation	Drug Accountability Court	Mental Health Court	Drug Screening Lab
<b>Revenues</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alcoholic beverage taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	214,232	-	-	-	-
Intergovernmental	812,218	-	-	-	-	276,780	248,449	63,236	8,055
Fines and forfeitures	-	399,822	53,539	-	-	-	119,910	1,157	-
Charges for services	-	-	-	4,601,967	-	349,275	-	-	359,755
Investment income	-	3,819	-	7,260	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	506	-	-	-
<b>Total Revenues</b>	<b>812,218</b>	<b>403,641</b>	<b>53,539</b>	<b>4,609,227</b>	<b>214,232</b>	<b>626,561</b>	<b>368,359</b>	<b>64,393</b>	<b>367,810</b>
<b>Expenditures</b>									
Current:									
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	476,470	76,758	214,238
Public safety	-	359,794	17,108	4,412,185	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	930,512	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Housing and development	812,218	-	-	-	100,000	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>812,218</b>	<b>359,794</b>	<b>17,108</b>	<b>4,412,185</b>	<b>100,000</b>	<b>930,512</b>	<b>476,470</b>	<b>76,758</b>	<b>214,238</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>43,847</b>	<b>36,431</b>	<b>197,042</b>	<b>114,232</b>	<b>(303,951)</b>	<b>(108,111)</b>	<b>(12,365)</b>	<b>153,572</b>
<b>Other Financing Sources (Uses)</b>									
Proceeds from sale of capital assets	-	-	-	2,000	-	-	-	-	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	1,833	-	-	-
Transfers in	-	-	-	-	-	258,633	129,459	12,365	-
Transfers out	-	-	-	-	(114,232)	-	-	-	(88,020)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>(114,232)</b>	<b>260,466</b>	<b>129,459</b>	<b>12,365</b>	<b>(88,020)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>43,847</b>	<b>36,431</b>	<b>199,042</b>	<b>-</b>	<b>(43,485)</b>	<b>21,348</b>	<b>-</b>	<b>65,552</b>
<b>Fund Balances Beginning of Year</b>	<b>940</b>	<b>782,584</b>	<b>20,513</b>	<b>2,545,925</b>	<b>-</b>	<b>135,027</b>	<b>328,154</b>	<b>-</b>	<b>(178)</b>
<b>Fund Balances End of Year</b>	<b>\$ 940</b>	<b>\$ 826,431</b>	<b>\$ 56,944</b>	<b>\$ 2,744,967</b>	<b>\$ -</b>	<b>\$ 91,542</b>	<b>\$ 349,502</b>	<b>\$ -</b>	<b>\$ 65,374</b>

Cherokee County, Georgia  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended September 30, 2017

	Capital Projects Fund					Total
	SPLOST V	Recreation Bond	Resource Recovery Development Authority	Impact Fees	Debt Service	
<b>Revenues</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,970,310	\$ 5,970,310
Alcoholic beverage taxes	-	-	-	-	-	1,090,198
Other taxes	-	-	-	-	-	214,232
Intergovernmental	-	-	-	85,133	-	3,111,166
Fines and forfeitures	-	-	-	-	-	1,945,871
Charges for services	-	-	-	1,974,346	-	11,094,765
Investment income	13,397	42,462	-	51,576	-	125,294
Contributions	-	-	-	-	-	343,434
Other	-	135,675	142,496	-	89,161	382,320
<b>Total Revenues</b>	<b>13,397</b>	<b>178,137</b>	<b>142,496</b>	<b>2,111,055</b>	<b>6,059,471</b>	<b>24,277,590</b>
<b>Expenditures</b>						
Current:						
General government	-	-	-	10,919	134,442	145,361
Judicial	-	-	-	-	-	1,991,851
Public safety	-	-	-	-	-	7,250,679
Public works	-	-	32,687	-	-	32,687
Health and welfare	-	-	-	-	-	2,657,689
Culture and recreation	1,000,000	305,804	-	-	-	6,275,239
Housing and development	-	-	-	-	-	912,218
Intergovernmental	-	-	-	100,000	-	100,000
Capital outlay	34,682	10,120,059	-	2,535,332	-	12,690,073
Debt service:						
Principal	-	-	4,435,000	-	4,295,000	8,738,256
Interest	-	-	785,202	-	1,754,541	2,542,482
<b>Total Expenditures</b>	<b>1,034,682</b>	<b>10,425,863</b>	<b>5,252,889</b>	<b>2,646,251</b>	<b>6,183,983</b>	<b>43,336,535</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,021,285)</b>	<b>(10,247,726)</b>	<b>(5,110,393)</b>	<b>(535,196)</b>	<b>(124,512)</b>	<b>(19,058,945)</b>
<b>Other Financing Sources (Uses)</b>						
Proceeds from sale of capital assets	-	-	-	-	-	2,000
Issuance of capital lease	-	-	-	-	-	149,488
Insurance reimbursement	-	-	-	-	-	1,833
Transfers in	-	524,280	5,101,651	-	-	8,439,524
Transfers out	-	-	-	-	-	(346,421)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>524,280</b>	<b>5,101,651</b>	<b>-</b>	<b>-</b>	<b>8,246,424</b>
<b>Net Change in Fund Balances</b>	<b>(1,021,285)</b>	<b>(9,723,446)</b>	<b>(8,742)</b>	<b>(535,196)</b>	<b>(124,512)</b>	<b>(10,812,521)</b>
<b>Fund Balances Beginning of Year</b>	<b>2,837,443</b>	<b>10,962,111</b>	<b>306,216</b>	<b>8,615,558</b>	<b>178,864</b>	<b>30,257,622</b>
<b>Fund Balances End of Year</b>	<b>\$ 1,816,158</b>	<b>\$ 1,238,665</b>	<b>\$ 297,474</b>	<b>\$ 8,080,362</b>	<b>\$ 54,352</b>	<b>\$ 19,445,101</b>

**Cherokee County, Georgia**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Sheriff's Commissary</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	310,000	396,401	606,345	209,944
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>310,000</b>	<b>396,401</b>	<b>606,345</b>	<b>209,944</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
Public safety	310,000	396,401	396,401	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>310,000</b>	<b>396,401</b>	<b>396,401</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	209,944	209,944
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	-	-	209,944	209,944
<b>Fund Balances Beginning of Year</b>	<b>243,618</b>	<b>243,618</b>	<b>243,618</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ 243,618</b>	<b>\$ 243,618</b>	<b>\$ 453,562</b>	<b>\$ 209,944</b>

Law Library				Senior Services			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	674,502	674,502	712,474	37,972
115,500	115,500	104,727	(10,773)	-	-	-	-
3,000	3,000	2,850	(150)	13,000	13,000	26,690	13,690
3,500	3,500	3,896	396	-	-	-	-
-	-	-	-	10,000	10,000	10,881	881
-	-	-	-	-	-	-	-
122,000	122,000	111,473	(10,527)	697,502	697,502	750,045	52,543
122,000	122,000	87,884	34,116	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,293,206	1,293,206	1,211,159	82,047
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	8,444	8,444	2,736	5,708
-	-	-	-	2,488	2,488	879	1,609
122,000	122,000	87,884	34,116	1,304,138	1,304,138	1,214,774	89,364
-	-	23,589	23,589	(606,636)	(606,636)	(464,729)	141,907
-	-	-	-	54,656	-	-	-
-	-	-	-	-	-	31,509	31,509
-	-	-	-	-	-	-	-
-	-	-	-	551,980	606,636	551,980	(54,656)
-	-	-	-	-	-	-	-
-	-	-	-	606,636	606,636	583,489	(23,147)
-	-	23,589	23,589	-	-	118,760	118,760
561,679	561,679	561,679	-	29,489	29,489	29,489	-
\$ 561,679	\$ 561,679	\$ 585,268	\$ 23,589	\$ 29,489	\$ 29,489	\$ 148,249	\$ 118,760



**Cherokee County, Georgia**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Confiscated Assets</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	224,000	302,616	368,000	65,384
Charges for services	-	-	-	-
Investment income	300	300	139	(161)
Contributions	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>224,300</b>	<b>302,916</b>	<b>368,139</b>	<b>65,223</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
Public safety	224,300	302,916	302,916	-
Health and welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>224,300</b>	<b>302,916</b>	<b>302,916</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	65,223	65,223
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>65,223</b>	<b>65,223</b>
<b>Fund Balances Beginning of Year</b>	<b>69,652</b>	<b>69,652</b>	<b>69,652</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ 69,652</b>	<b>\$ 69,652</b>	<b>\$ 134,875</b>	<b>\$ 65,223</b>

<b>Multiple Grant</b>				<b>Drug Abuse and Treatment</b>			
<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Original Budget</b>	<b>Final Budget</b>			<b>Original Budget</b>	<b>Final Budget</b>		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
397,675	973,084	816,137	(156,947)	-	-	-	-
-	-	200	200	220,112	231,500	271,495	39,995
-	-	-	-	-	-	-	-
-	-	-	-	600	600	2,745	2,145
-	1,000	167,211	166,211	-	-	-	-
17,500	17,500	-	(17,500)	-	-	-	-
415,175	991,584	983,548	(8,036)	220,712	232,100	274,240	42,140
264,472	710,614	375,643	334,971	118,893	128,503	126,202	2,301
43,137	461,246	496,249	(35,003)	-	-	-	-
427,984	449,025	396,018	53,007	-	-	-	-
-	1,326	1,326	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
735,593	1,622,211	1,269,236	352,975	118,893	128,503	126,202	2,301
(320,418)	(630,627)	(285,688)	344,939	101,819	103,597	148,038	44,441
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
98,987	149,573	161,704	12,131	-	-	-	-
-	-	-	-	(167,858)	(172,841)	(144,169)	28,672
98,987	149,573	161,704	12,131	(167,858)	(172,841)	(144,169)	28,672
(221,431)	(481,054)	(123,984)	357,070	(66,039)	(69,244)	3,869	73,113
286,694	286,694	286,694	-	616,138	616,138	616,138	-
\$ 65,263	\$ (194,360)	\$ 162,710	\$ 357,070	\$ 550,099	\$ 546,894	\$ 620,007	\$ 73,113

**Cherokee County, Georgia**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Animal Services</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	50,000	71,246	21,246
Charges for services	677,939	690,277	738,513	48,236
Investment income	-	-	-	-
Contributions	15,257	15,257	48,073	32,816
Other	-	-	-	-
<b>Total revenues</b>	<b>693,196</b>	<b>755,534</b>	<b>857,832</b>	<b>102,298</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
Public safety	1,203,638	1,265,976	1,266,026	(50)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>1,203,638</b>	<b>1,265,976</b>	<b>1,266,026</b>	<b>(50)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(510,442)	(510,442)	(408,194)	102,248
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	462,718	462,718	462,718	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>462,718</b>	<b>462,718</b>	<b>462,718</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(47,724)</b>	<b>(47,724)</b>	<b>54,524</b>	<b>102,248</b>
<b>Fund Balances Beginning of Year</b>	<b>298,110</b>	<b>298,110</b>	<b>298,110</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ 250,386</b>	<b>\$ 250,386</b>	<b>\$ 352,634</b>	<b>\$ 102,248</b>

DUI Court				Victim/Witness			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71,955	74,673	88,684	14,011	-	-	-	-
305,000	305,000	348,279	43,279	202,500	202,500	200,002	(2,498)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
75,000	75,000	77,269	2,269	-	-	-	-
-	-	-	-	-	-	-	-
451,955	454,673	514,232	59,559	202,500	202,500	200,002	(2,498)
539,975	542,693	528,774	13,919	94,910	94,910	92,637	2,273
-	-	-	-	-	-	-	-
-	-	-	-	120,000	120,000	120,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
539,975	542,693	528,774	13,919	214,910	214,910	212,637	2,273
(88,020)	(88,020)	(14,542)	73,478	(12,410)	(12,410)	(12,635)	(225)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
88,020	88,020	88,020	-	-	-	-	-
-	-	-	-	-	-	-	-
88,020	88,020	88,020	-	-	-	-	-
-	-	73,478	73,478	(12,410)	(12,410)	(12,635)	(225)
819,237	819,237	819,237	-	54,512	54,512	54,512	-
\$ 819,237	\$ 819,237	\$ 892,715	\$ 73,478	\$ 42,102	\$ 42,102	\$ 41,877	\$ (225)

**Cherokee County, Georgia**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Parks and Recreation</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Taxes	\$ 1,030,000	\$ 1,030,000	\$ 1,090,198	\$ 60,198
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	2,620,320	2,620,320	2,435,024	(185,296)
Investment income	-	-	-	-
Contributions	30,000	30,000	40,000	10,000
Other	13,572	13,572	14,482	910
Total revenues	3,693,892	3,693,892	3,579,704	(114,188)
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	4,892,606	5,057,606	4,968,109	89,497
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	5,520	(5,520)
Interest	-	-	1,860	(1,860)
Total expenditures	4,892,606	5,057,606	4,975,489	82,117
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,198,714)	(1,363,714)	(1,395,785)	(32,071)
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	117,979	117,979
Insurance reimbursement	-	-	-	-
Transfers in	1,148,714	1,148,714	1,148,714	-
Transfers out	-	-	-	-
Total other financing sources	1,148,714	1,148,714	1,266,693	117,979
Net Change in Fund Balances	(50,000)	(215,000)	(129,092)	85,908
<b>Fund Balances Beginning of Year</b>	499,134	499,134	499,134	-
<b>Fund Balances End of Year</b>	<u>\$ 449,134</u>	<u>\$ 284,134</u>	<u>\$ 370,042</u>	<u>\$ 85,908</u>

DA Confiscated Assets				CDBG			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,289,952	1,289,952	812,218	(477,734)
5,000	5,000	7,494	2,494	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,000	5,000	7,494	2,494	1,289,952	1,289,952	812,218	(477,734)
35,000	35,000	13,245	21,755	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,289,952	1,289,952	812,218	477,734
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,000	35,000	13,245	21,755	1,289,952	1,289,952	812,218	477,734
(30,000)	(30,000)	(5,751)	24,249	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(30,000)	(30,000)	(5,751)	24,249	-	-	-	-
66,202	66,202	66,202	-	940	940	940	-
\$ 36,202	\$ 36,202	\$ 60,451	\$ 24,249	\$ 940	\$ 940	\$ 940	\$ -

**Cherokee County, Georgia**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Jail</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	390,000	390,000	399,822	9,822
Charges for services	-	-	-	-
Investment income	700	700	3,819	3,119
Contributions	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>390,700</b>	<b>390,700</b>	<b>403,641</b>	<b>12,941</b>
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
Public safety	289,246	359,794	359,794	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>289,246</b>	<b>359,794</b>	<b>359,794</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,454	30,906	43,847	12,941
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>101,454</b>	<b>30,906</b>	<b>43,847</b>	<b>12,941</b>
<b>Fund Balances Beginning of Year</b>	<b>782,584</b>	<b>782,584</b>	<b>782,584</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ 884,038</b>	<b>\$ 813,490</b>	<b>\$ 826,431</b>	<b>\$ 12,941</b>

Sheriff's Forfeiture				E-911			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
75,000	75,000	53,539	(21,461)	-	-	-	-
-	-	-	-	4,470,000	4,470,000	4,601,967	131,967
-	-	-	-	1,000	1,000	7,260	6,260
-	-	-	-	-	-	-	-
-	-	-	-	500	500	-	(500)
75,000	75,000	53,539	(21,461)	4,471,500	4,471,500	4,609,227	137,727
-	-	-	-	-	-	-	-
75,000	75,000	17,108	57,892	4,671,192	4,671,192	4,412,185	259,007
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
75,000	75,000	17,108	57,892	4,671,192	4,671,192	4,412,185	259,007
-	-	36,431	36,431	(199,692)	(199,692)	197,042	396,734
-	-	-	-	-	-	2,000	2,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,000	2,000
-	-	36,431	36,431	(199,692)	(199,692)	199,042	398,734
20,513	20,513	20,513	-	2,545,925	2,545,925	2,545,925	-
\$ 20,513	\$ 20,513	\$ 56,944	\$ 36,431	\$ 2,346,233	\$ 2,346,233	\$ 2,744,967	\$ 398,734



Cherokee County, Georgia  
Special Revenue Funds  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended September 30, 2017

	Hotel/Motel Tax			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
<b>Revenues</b>				
Taxes	\$ 207,000	\$ 214,232	\$ 214,232	\$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total revenues	207,000	214,232	214,232	-
<b>Expenditures</b>				
Current:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	100,000	100,000	100,000	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	100,000	100,000	100,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	107,000	114,232	114,232	-
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(107,000)	(114,232)	(114,232)	-
Total other financing sources	(107,000)	(114,232)	(114,232)	-
Net Change in Fund Balances	-	-	-	-
<b>Fund Balances Beginning of Year</b>	-	-	-	-
<b>Fund Balances End of Year</b>	\$ -	\$ -	\$ -	\$ -

Transportation				Drug Accountability Court			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
584,738	584,738	276,780	(307,958)	285,243	340,282	248,449	(91,833)
-	-	-	-	145,347	145,347	119,910	(25,437)
355,000	355,000	349,275	(5,725)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	506	506	-	-	-	-
939,738	939,738	626,561	(313,177)	430,590	485,629	368,359	(117,270)
-	-	-	-	591,742	646,781	476,470	170,311
-	-	-	-	-	-	-	-
1,223,658	1,223,658	930,512	293,146	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4,222	4,222	-	4,222	-	-	-	-
1,244	1,244	-	1,244	-	-	-	-
1,229,124	1,229,124	930,512	298,612	591,742	646,781	476,470	170,311
(289,386)	(289,386)	(303,951)	(14,565)	(161,152)	(161,152)	(108,111)	53,041
27,328	27,328	-	(27,328)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,833	1,833	-	-	-	-
262,058	262,058	258,633	(3,425)	161,152	161,152	129,459	(31,693)
-	-	-	-	-	-	-	-
289,386	289,386	260,466	(28,920)	161,152	161,152	129,459	(31,693)
-	-	(43,485)	(43,485)	-	-	21,348	21,348
135,027	135,027	135,027	-	328,154	328,154	328,154	-
\$ 135,027	\$ 135,027	\$ 91,542	\$ (43,485)	\$ 328,154	\$ 328,154	\$ 349,502	\$ 21,348

**Cherokee County, Georgia**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Mental Health Court</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	60,350	77,375	63,236	(14,139)
Fines and forfeitures	-	-	1,157	1,157
Charges for services	-	-	-	-
Investment income	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
<b>Total revenues</b>	<b>60,350</b>	<b>77,375</b>	<b>64,393</b>	<b>(12,982)</b>
<b>Expenditures</b>				
Current:				
Judicial	67,056	85,859	76,758	9,101
Public safety	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<b>67,056</b>	<b>85,859</b>	<b>76,758</b>	<b>9,101</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,706)	(8,484)	(12,365)	(3,881)
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	-	-	-	-
Issuance of capital lease	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	6,706	8,484	12,365	3,881
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>6,706</b>	<b>8,484</b>	<b>12,365</b>	<b>3,881</b>
Net Change in Fund Balances	-	-	-	-
<b>Fund Balances Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Drug Screening Lab**

<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Original Budget</b>	<b>Final Budget</b>		
\$ -	\$ -	\$ -	\$ -
29,158	29,158	8,055	(21,103)
-	-	-	-
330,447	330,447	359,755	29,308
-	-	-	-
-	-	-	-
-	-	-	-
359,605	359,605	367,810	8,205
271,585	271,585	214,238	57,347
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
271,585	271,585	214,238	57,347
88,020	88,020	153,572	65,552
-	-	-	-
-	-	-	-
-	-	-	-
(88,020)	(88,020)	(88,020)	-
(88,020)	(88,020)	(88,020)	-
-	-	65,552	65,552
(178)	(178)	(178)	-
<u>\$ (178)</u>	<u>\$ (178)</u>	<u>\$ 65,374</u>	<u>\$ 65,552</u>

**Cherokee County, Georgia**  
**Capital Projects Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	SPLOST V			
	Budget		Actual	Variance With Final Budget
	Original Budget	Final Budget		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment income	4,000	4,000	13,397	9,397
Other	-	-	-	-
Total revenues	4,000	4,000	13,397	9,397
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	976,080	1,000,000	(23,920)
Intergovernmental	-	-	-	-
Capital outlay	58,601	58,601	34,682	23,919
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	58,601	1,034,681	1,034,682	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(54,601)	(1,030,681)	(1,021,285)	9,396
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net Change in Fund Balances	(54,601)	(1,030,681)	(1,021,285)	9,396
<b>Fund Balances Beginning of Year</b>	2,837,443	2,837,443	2,837,443	-
<b>Fund Balances End of Year</b>	<u>\$ 2,782,842</u>	<u>\$ 1,806,762</u>	<u>\$ 1,816,158</u>	<u>\$ 9,396</u>

Recreation Bond				Resource Recovery Development Authority			
Budget		Actual	Variance With Final Budget	Budget		Actual	Variance With Final Budget
Original Budget	Final Budget			Original Budget	Final Budget		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
30,000	42,462	42,462	-	-	-	-	-
-	\$ 135,675	135,675	-	142,244	142,244	142,496	252
30,000	178,137	178,137	-	142,244	142,244	142,496	252
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	25,000	32,687	32,687	-
315,073	315,073	305,804	9,269	-	-	-	-
-	-	-	-	-	-	-	-
7,961,821	10,110,790	10,120,059	(9,269)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,000,000	4,001,307	4,435,000	(433,693)
-	-	-	-	1,218,895	1,218,895	785,202	433,693
8,276,894	10,425,863	10,425,863	-	5,243,895	5,252,889	5,252,889	-
(8,246,894)	(10,247,726)	(10,247,726)	-	(5,101,651)	(5,110,645)	(5,110,393)	252
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	524,280	524,280	-	5,101,651	5,101,651	5,101,651	-
-	-	-	-	-	-	-	-
-	524,280	524,280	-	5,101,651	5,101,651	5,101,651	-
(8,246,894)	(9,723,446)	(9,723,446)	-	-	(8,994)	(8,742)	252
10,962,111	10,962,111	10,962,111	-	306,216	306,216	306,216	-
\$ 2,715,217	\$ 1,238,665	\$ 1,238,665	\$ -	\$ 306,216	\$ 297,222	\$ 297,474	\$ 252

**Cherokee County, Georgia**  
**Capital Projects Funds**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Impact Fees</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 85,133	\$ 85,133
Charges for services	1,927,475	1,927,475	1,974,346	46,871
Investment income	19,096	19,096	51,576	32,480
Other	-	-	-	-
<b>Total revenues</b>	<b>1,946,571</b>	<b>1,946,571</b>	<b>2,111,055</b>	<b>164,484</b>
<b>Expenditures</b>				
Current:				
General government	8,039	8,039	10,919	(2,880)
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Intergovernmental	100,000	100,000	100,000	-
Capital outlay	3,461,000	3,461,000	2,535,332	925,668
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>3,569,039</b>	<b>3,569,039</b>	<b>2,646,251</b>	<b>922,788</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,622,468)	(1,622,468)	(535,196)	1,087,272
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital asset	-	-	-	-
Insurance reimbursement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(1,622,468)</b>	<b>(1,622,468)</b>	<b>(535,196)</b>	<b>1,087,272</b>
<b>Fund Balances Beginning of Year</b>	<b>8,615,558</b>	<b>8,615,558</b>	<b>8,615,558</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>\$ 6,993,090</b>	<b>\$ 6,993,090</b>	<b>\$ 8,080,362</b>	<b>\$ 1,087,272</b>

**Cherokee County, Georgia**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended September 30, 2017**

	<b>Debt Service</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original Budget</b>	<b>Final Budget</b>		
<b>Revenues</b>				
Property taxes	\$ 5,811,030	\$ 5,811,030	\$ 5,970,310	\$ 159,280
Other	177,000	177,000	89,161	(87,839)
Total revenues	5,988,030	5,988,030	6,059,471	71,441
<b>Expenditures</b>				
Current:				
General government	144,126	144,126	134,442	9,684
Debt service:				
Principal	4,295,000	4,295,000	4,295,000	-
Interest and fiscal charges	1,815,366	1,815,366	1,754,541	60,825
Total expenditures	6,254,492	6,254,492	6,183,983	70,509
Net Change in Fund Balances	(266,462)	(266,462)	(124,512)	141,950
<b>Fund Balances Beginning of Year</b>	178,864	178,864	178,864	-
<b>Fund Balances End of Year</b>	<u>\$ (87,598)</u>	<u>\$ (87,598)</u>	<u>\$ 54,352</u>	<u>\$ 141,950</u>



**Cherokee County, Georgia**  
**Schedule of Expenditures of**  
**Special Purpose Local Option Sales Tax Proceeds**  
**For the Fiscal Year Ended September 30, 2017**

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods	Current Fiscal Year	Total
<b>2005</b>					
Special Local Option Sales Tax V	\$ 200,000,000	\$ 184,062,661	\$ 180,009,352	\$ -	\$ 180,009,352
2005 Projects:					
City of Canton			\$ 13,498,831	\$ -	\$ 13,498,831
City of Mountain Park			30,097	-	30,097
City of Woodstock			14,838,179	-	14,838,179
City of Holly Springs			6,771,989	-	6,771,989
City of Ball Ground			2,098,185	-	2,098,185
City of Waleska			1,760,717	-	1,760,717
City of Nelson			707,295	-	707,295
Total intergovernmental			39,705,293	-	39,705,293
Administration building			28,457,459	-	28,457,459
Tax Commissioner/Marshal Building			4,371,256	-	4,371,256
Transportation facility & equipment			50,819,769	-	50,819,769
Park & recreation facility			11,767,943	-	11,767,943
Library facility & books			790,307	1,000,000	1,790,307
Public safety facilities & equipment			21,778,421	21,285	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			\$ 181,084,762	\$ 1,021,285	\$ 182,106,047
Public safety facilities and equipment paid for with interest earnings				13,397	
Total expenditures in SPLOST V Fund				\$ 1,034,682	

**Cherokee County, Georgia**  
**Schedule of Expenditures of**  
**Special Purpose Local Option Sales Tax Proceeds**  
**For the Fiscal Year Ended September 30, 2017**

	Original Estimated Cost	Current Estimated Cost	Prior Fiscal Years or Periods (1)	Current Fiscal Year	Total
<b>2012</b>					
Special Local Option Sales Tax VI	\$ 185,500,000	\$ 197,270,373	\$ 97,942,308	\$ 30,944,419	\$ 128,886,727
2012 Projects:					
City of Ball Ground			\$ 1,561,687	\$ 418,470	\$ 1,980,157
City of Canton			13,092,754	3,508,339	16,601,093
City of Holly Springs			5,080,932	1,361,489	6,442,421
City of Mountain Park			4,842	1,298	6,140
City of Nelson			544,774	145,978	690,752
City of Walesa			1,331,671	356,835	1,688,506
City of Woodstock			13,332,455	3,572,570	16,905,025
Cherokee County Airport Authority			4,646,232	71,856	4,718,088
Development Authority of Cherokee County			5,561,281	733,692	6,294,973
Total intergovernmental			45,156,628	10,170,527	55,327,155
ALS units			2,266,093	-	2,266,093
Animal control			186,735	-	186,735
Animal shelter renovation			506,445	2,510,023	3,016,468
City of Canton Fire Station			-	160,413	160,413
Courthouse expansion			559,658	183,933	743,591
E-911			784,072	951,406	1,735,478
Fire training facility			1,500,000	-	1,500,000
Fire/EMS			7,608,377	3,226,369	10,834,746
Jail expansion/enhancements			-	34,585	34,585
Marshal			192,069	64,522	256,591
Senior center			-	122,754	122,754
Sheriff			1,669,331	487,266	2,156,597
Sheriff training facility			1,879,662	-	1,879,662
Transportation facility & equipment			35,633,238	13,032,621	48,665,859
Total			\$ 97,942,308	\$ 30,944,419	\$ 128,886,727
Transportation facility and equipment paid for with intergovernmental revenues				2,078,063	
Canton Fire Station paid for with insurance reimbursements and proceeds from sales of capital assets				71,539	
E-911 project expenditures made with interest earnings				459,280	
Transportation facility improvements paid with miscellaneous revenues				275,143	
Total expenditures and transfers out in SPLOST VI Fund				\$ 33,828,444	

(1) As revised.

# CHEROKEE COUNTY, GEORGIA

## INTERNAL SERVICE FUNDS

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**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, 2017**

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
<b>Assets</b>			
Current assets			
Cash	\$ -	\$ 2,200,013	\$ 2,200,013
Receivables, net of allowance	-	319,750	319,750
Inventories	189,643	-	189,643
Prepaid items	1,293	12,419	13,712
Total current assets	<u>190,936</u>	<u>2,532,182</u>	<u>2,723,118</u>
Noncurrent assets			
Capital assets, net of depreciation	<u>265,019</u>	-	<u>265,019</u>
Total assets	<u>455,955</u>	<u>2,532,182</u>	<u>2,988,137</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows relating to pension	<u>135,915</u>	-	<u>135,915</u>
Total deferred outflows of resources	<u>135,915</u>	<u>-</u>	<u>135,915</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	55,368	349,221	404,589
Accrued liabilities	11,517	1,044,876	1,056,393
Due to other funds	84,138	-	84,138
Compensated absences, due within one year	60,959	-	60,959
Total current liabilities	<u>211,982</u>	<u>1,394,097</u>	<u>1,606,079</u>
<b>Long-term Liabilities (net of current portion)</b>			
Compensated absences, due in more than one year	20,320	-	20,320
Net pension liability	411,683	-	411,683
Total long-term liabilities	<u>432,003</u>	<u>-</u>	<u>432,003</u>
<b>Total Liabilities</b>	<u>643,985</u>	<u>1,394,097</u>	<u>2,038,082</u>
<b>Net Position</b>			
Investment in capital assets	265,019	-	265,019
Unrestricted (deficit)	<u>(317,134)</u>	<u>1,138,085</u>	<u>820,951</u>
<b>Total Net Position</b>	<u>\$ (52,115)</u>	<u>\$ 1,138,085</u>	<u>\$ 1,085,970</u>

**Cherokee County, Georgia**  
**Combining Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended September 30, 2017**

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
<b>Operating Revenues</b>			
Charges for services	\$ 1,486,006	\$ 14,405,237	\$ 15,891,243
Miscellaneous revenue	9,723	1,734,506	1,744,229
Total operating revenues	<u>1,495,729</u>	<u>16,139,743</u>	<u>17,635,472</u>
<b>Operating Expenses</b>			
Personal services and employee benefits	618,635	137,305	755,940
Contractual services	41,131	1,665,859	1,706,990
Claims paid	-	13,974,564	13,974,564
Supplies	810,263	-	810,263
Depreciation	30,333	-	30,333
Total Operating Expenses	<u>1,500,362</u>	<u>15,777,728</u>	<u>17,278,090</u>
<b>Change in net position before transfers</b>	<u>(4,633)</u>	<u>362,015</u>	<u>357,382</u>
<b>Transfers</b>			
Transfers in	<u>-</u>	<u>14,377</u>	<u>14,377</u>
<b>Change in net position</b>	<u>(4,633)</u>	<u>376,392</u>	<u>371,759</u>
<b>Net Position (Deficit) Beginning of Year</b>	<u>(47,482)</u>	<u>761,693</u>	<u>714,211</u>
<b>Net Position (Deficit) End of Year</b>	<u>\$ (52,115)</u>	<u>\$ 1,138,085</u>	<u>\$ 1,085,970</u>

**Cherokee County, Georgia**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended September 30, 2017**

	<u>Fleet Services</u>	<u>Insurance and Benefits</u>	<u>Totals</u>
<b>Cash Flows from Operating Activities</b>			
Receipts from other funds	\$ 1,524,074	\$ 16,083,835	\$ 17,607,909
Payments to employees	(634,254)	(137,305)	(771,559)
Payments to suppliers for services provided	(852,397)	(15,307,881)	(16,160,278)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>37,423</u>	<u>638,649</u>	<u>676,072</u>
<b>Cash Flows from Capital Financing Activities</b>			
Purchase of capital assets	(37,423)	-	(37,423)
<b>Net Cash Used in Capital Financing Activities</b>	<u>(37,423)</u>	<u>-</u>	<u>(37,423)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers in	-	14,377	14,377
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>-</u>	<u>14,377</u>	<u>14,377</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	-	653,026	653,026
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>-</u>	<u>1,546,987</u>	<u>1,546,987</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ -</u>	<u>\$ 2,200,013</u>	<u>\$ 2,200,013</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>			
<b>Operating Income (Loss)</b>	\$ (4,633)	\$ 362,015	\$ 357,382
<b>Adjustments -</b>			
Depreciation	30,333	-	30,333
<b>(Increase) Decrease in:</b>			
Accounts receivable	-	(55,908)	(55,908)
Prepaid items	(514)	(11,990)	(12,504)
Inventories	1,984	-	1,984
Deferred outflows of resources	(37,768)	-	(37,768)
<b>Increase (Decrease) in:</b>			
Accounts payable	1,669	12,564	14,233
Accrued expenses	(4,142)	331,968	327,826
Due to other funds	28,345	-	28,345
Compensated absences payable	8,914	-	8,914
Net pension liability	13,235	-	13,235
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 37,423</u>	<u>\$ 638,649</u>	<u>\$ 676,072</u>

# CHEROKEE COUNTY, GEORGIA

## AGENCY FUNDS

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

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

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

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

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

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

**Cherokee County, Georgia**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended September 30, 2017**

	<b>Balance October 1, 2016</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance September 30, 2017</b>
<b>Tax Commissioner</b>				
<b>Assets</b>				
Cash	\$ 5,954,018	\$ 275,888,386	\$ 276,435,927	\$ 5,406,477
Taxes and other receivables	209,401,757	227,437,147	205,055,160	231,783,744
<b>Total assets</b>	<b>\$ 215,355,775</b>	<b>\$ 503,325,533</b>	<b>\$ 481,491,087</b>	<b>\$ 237,190,221</b>
<b>Liabilities</b>				
Due to others	\$ 6,161,965	\$ 275,888,386	\$ 276,643,874	\$ 5,406,477
Taxes payable to others upon completion	209,193,810	227,437,147	204,847,213	231,783,744
<b>Total Liabilities</b>	<b>\$ 215,355,775</b>	<b>\$ 503,325,533</b>	<b>\$ 481,491,087</b>	<b>\$ 237,190,221</b>
<b>Probate Court</b>				
<b>Assets</b>				
Cash	\$ 9,895	\$ 641,561	\$ 651,120	\$ 336
<b>Liabilities</b>				
Due to others	\$ 9,895	\$ 641,561	\$ 651,120	\$ 336
<b>Juvenile Court</b>				
<b>Assets</b>				
Cash	\$ 1,394	\$ 120,957	\$ 120,611	\$ 1,740
<b>Liabilities</b>				
Due to others	\$ 1,394	\$ 120,957	\$ 120,611	\$ 1,740
<b>Clerk of Superior Court</b>				
<b>Assets</b>				
Cash	\$ 4,921,910	\$ 20,101,793	\$ 20,571,062	\$ 4,452,641
<b>Liabilities</b>				
Due to others	\$ 4,921,910	\$ 20,101,793	\$ 20,571,062	\$ 4,452,641



**Cherokee County, Georgia**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended September 30, 2017**

	<b>Balance October 1, 2016</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance September 30, 2017</b>
<b>Clerk of State Court</b>				
<b>Assets</b>				
Cash	\$ 52,663	\$ 2,967,679	\$ 2,966,542	\$ 53,800
<b>Liabilities</b>				
Due to others	\$ 52,663	\$ 2,967,679	\$ 2,966,542	\$ 53,800
<b>Sheriff</b>				
<b>Assets</b>				
Cash	\$ 354,257	\$ 2,893,539	\$ 2,868,338	\$ 379,458
<b>Liabilities</b>				
Due to others	\$ 354,257	\$ 2,893,539	\$ 2,868,338	\$ 379,458
<b>Total Agency Funds</b>				
<b>Assets</b>				
Cash	\$ 11,294,137	\$ 302,613,915	\$ 303,613,600	\$ 10,294,452
Taxes and other receivables	209,401,757	227,437,147	205,055,160	231,783,744
<b>Total assets</b>	<b>\$ 220,695,894</b>	<b>\$ 530,051,062</b>	<b>\$ 508,668,760</b>	<b>\$ 242,078,196</b>
<b>Liabilities</b>				
Due to others	\$ 11,502,084	\$ 302,613,915	\$ 303,821,547	\$ 10,294,452
Uncollected taxes	209,193,810	227,437,147	204,847,213	231,783,744
<b>Total Liabilities</b>	<b>\$ 220,695,894</b>	<b>\$ 530,051,062</b>	<b>\$ 508,668,760</b>	<b>\$ 242,078,196</b>

**Cherokee County, Georgia**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds**  
**September 30, 2017**

	<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>
<b>Assets</b>							
Cash	\$ 5,406,477	\$ 336	\$ 1,740	\$ 4,452,641	\$ 53,800	\$ 379,458	\$ 10,294,452
Taxes and other receivables	<u>231,783,744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,783,744</u>
<b>Total assets</b>	<u>\$ 237,190,221</u>	<u>\$ 336</u>	<u>\$ 1,740</u>	<u>\$ 4,452,641</u>	<u>\$ 53,800</u>	<u>\$ 379,458</u>	<u>\$ 242,078,196</u>
<b>Liabilities</b>							
Due to others	\$ 5,406,477	\$ 336	\$ 1,740	\$ 4,452,641	\$ 53,800	\$ 379,458	10,294,452
Taxes payable to others upon completion	<u>231,783,744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,783,744</u>
<b>Total liabilities</b>	<u>\$ 237,190,221</u>	<u>\$ 336</u>	<u>\$ 1,740</u>	<u>\$ 4,452,641</u>	<u>\$ 53,800</u>	<u>\$ 379,458</u>	<u>\$ 242,078,196</u>

**Development Authority of Cherokee County**  
**Balance Sheet**  
**September 30, 2017**

<b>Assets</b>	
Cash	\$ 1,781,519
Accounts receivable, net of allowance	5,440
Prepaid items	23,906
Due from other governments	4,000
Due from primary government	<u>258,967</u>
<b>Total assets</b>	<b><u>\$ 2,073,832</u></b>
 <b>Liabilities, Deferred Inflow of Resources and Fund Balance</b>	
<b>Liabilities</b>	
Accrued liabilities	<u>\$ 1,333</u>
<b>Total liabilities</b>	<u>1,333</u>
 <b>Deferred Inflows of Resources</b>	
Unearned revenues	6,500
Unavailable revenue	<u>401,670</u>
<b>Total deferred inflows of resources</b>	<u>408,170</u>
 <b>Fund Balances</b>	
Unassigned	<u>1,664,329</u>
Total Fund Balances	<u>1,664,329</u>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 2,073,832</u></b>

**Development Authority of Cherokee County**  
**Statement of Revenues, Expenses and Changes in Fund Balances**  
**For the Year Ended September 30, 2017**

<hr/> <hr/>	
<b>Revenues</b>	
Intergovernmental	\$ 2,076,359
Charges for services	60,450
Investment earnings	564
Contributions	<u>63,898</u>
 Total revenues	 <u>2,201,271</u>
 <b>Expenditures</b>	
Current:	
Housing and development	<u>3,477,914</u>
 Total expenditures	 <u>3,477,914</u>
 Deficiency of revenues over expenditures	 <u>(1,276,643)</u>
 <b>Other Financing Sources</b>	
Proceeds from sale of capital assets	<u>1,924,375</u>
 Total other financing sources	 <u>1,924,375</u>
 <b>Net change in fund balances</b>	 647,732
 <b>Fund balances, beginning of year</b>	 <u>1,016,597</u>
 <b>Fund balances, end of year</b>	 <u><u>\$ 1,664,329</u></u>

**Cherokee County Development Authority**  
**Balance Sheet**  
**September 30, 2017**

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<b>Assets</b>	
Cash	\$ 397,087
<b>Total assets</b>	<u>\$ 397,087</u>
<b>Liabilities</b>	
Due to primary governments	\$ 4,404,780
<b>Total liabilities</b>	<u>4,404,780</u>
<b>Fund Balance (Deficit)</b>	
Unassigned (deficit)	<u>(4,007,693)</u>
<b>Total Fund Balance</b>	<u>(4,007,693)</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 397,087</u>

**Cherokee County Development Authority**  
**Statement of Revenues, Expenses and Changes in Fund Balances**  
**For the Year Ended September 30, 2017**

<hr/> <hr/>	
<b>Revenues</b>	
Interest	\$ 321
Charges for services	<u>189,626</u>
<b>Total Revenues</b>	<u>189,947</u>
<b>Expenditures</b>	
Current:	
Housing and development	<u>1,620,869</u>
Debt service:	
Principal	574,785
Interest	<u>196,939</u>
<b>Total Expenditures</b>	<u>2,392,593</u>
<b>Deficiency of Revenues over Expenditures</b>	<u>(2,202,646)</u>
<b>Other Financing Sources (Uses)</b>	
Proceeds from sale of capital assets	<u>2,580,400</u>
Total other financing sources (uses)	<u>2,580,400</u>
<b>Net Change in Fund Balances</b>	377,754
<b>Fund Balances, Beginning of Year</b>	<u>(4,385,447)</u>
<b>Fund Balances, End of Year</b>	<u><u>\$ (4,007,693)</u></u>

# CHEROKEE COUNTY, GEORGIA

## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

**CHEROKEE COUNTY, GEORGIA**

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

	2008	2009	2010	2011	2012*	2013	2014 (Restated)	2015 (Restated)	2016	2017
<b>Governmental Activities</b>										
Invested in Capital Assets, net of related debt	\$ 1,091,115,199	\$ 1,064,235,201	\$ 1,058,683,428	\$ 1,050,048,300	\$ 1,023,519,289	\$ 1,011,905,016	\$ 976,166,596	\$ 943,020,930	\$ 922,812,280	\$ 903,790,353
Restricted	3,515,045	37,906,250	35,732,314	58,696,018	37,575,187	40,740,963	58,032,098	70,835,182	66,862,941	71,835,012
Unrestricted	57,698,960	39,767,844	25,739,216	9,944,894	(2,686,819)	1,297,716	(37,525,057)	(32,930,747)	(18,434,202)	(16,695,685)
<b>Total Governmental Activities Net Position</b>	<b>1,152,329,204</b>	<b>1,141,909,295</b>	<b>1,120,154,958</b>	<b>1,118,689,212</b>	<b>1,058,407,657</b>	<b>1,053,943,695</b>	<b>996,673,637</b>	<b>980,925,365</b>	<b>971,241,019</b>	<b>958,929,680</b>
<b>Business type Activities</b>										
Invested in Capital Assets, net of related debt	924,061	800,260	703,439	630,863	1,168,482	2,076,797	1,894,919	2,345,249	3,863,389	3,429,582
Unrestricted	3,630,081	1,193,605	147,817	870,092	1,315,162	1,145,475	(818,727)	(227,478)	(536,760)	(459,958)
<b>Total Business-type Activities Net Position</b>	<b>4,554,142</b>	<b>1,993,865</b>	<b>851,256</b>	<b>1,500,955</b>	<b>2,483,644</b>	<b>3,222,272</b>	<b>1,076,192</b>	<b>2,117,771</b>	<b>3,326,629</b>	<b>2,969,624</b>
<b>Primary Government</b>										
Invested in Capital Assets, net of related debt	1,092,039,260	1,065,035,461	1,059,386,867	1,050,679,163	1,024,687,771	1,013,981,813	978,061,515	945,366,179	926,675,669	907,219,935
Restricted	3,515,045	37,906,250	35,732,314	58,696,018	37,575,187	40,740,963	58,032,098	70,835,182	66,862,941	71,835,012
Unrestricted	61,329,041	40,961,449	25,887,033	10,814,986	(1,371,657)	2,443,191	(38,343,784)	(33,158,225)	(18,970,962)	(17,155,643)
<b>Total Primary Government Net Position</b>	<b>\$ 1,156,883,346</b>	<b>\$ 1,143,903,160</b>	<b>\$ 1,121,006,214</b>	<b>\$ 1,120,190,167</b>	<b>\$ 1,060,891,301</b>	<b>\$ 1,057,165,967</b>	<b>\$ 997,749,829</b>	<b>\$ 983,043,136</b>	<b>\$ 974,567,648</b>	<b>\$ 961,899,304</b>

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





CHEROKEE COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	2008	2009	2010	2011	2012*	2013	2014	Restated 2015	2016	2017
General Fund										
Reserved	\$ 175,321	\$ 213,815	\$ 267,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	32,943,772	29,423,015	24,914,065	-	-	-	-	-	-	-
Nonspendable:										
Prepays	-	-	-	199,244	163,748	100,272	72,645	75,669	277,606	265,642
Advances from other funds	-	-	-	-	-	-	-	-	500,000	-
Inventory	-	-	-	5,380	5,134	16,432	36,614	16,757	5,349	37,466
Assigned for use in subsequent budget	-	-	-	25,419,651	-	-	-	-	-	-
Unassigned	-	-	-	4,567,170	4,205,633	9,685,484	11,037,776	13,293,833	26,932,247	29,365,899
<b>Total General Fund</b>	<b>33,119,093</b>	<b>29,636,830</b>	<b>25,181,708</b>	<b>30,191,445</b>	<b>4,374,515</b>	<b>9,802,188</b>	<b>11,147,035</b>	<b>13,386,259</b>	<b>27,715,202</b>	<b>29,669,007</b>
All Other Governmental Funds										
Reserved	3,519,690	37,916,605	35,736,960	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	18,268,587	17,289,982	16,747,516	-	-	-	-	-	-	-
Capital projects funds	7,987,494	4,023,396	6,268,759	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable:										
Prepays	-	-	-	682,020	446,502	414,632	342,438	351,894	362,125	334,485
Advances from Other Funds	-	-	-	-	-	-	-	-	500,000	-
Inventory	-	-	-	-	-	-	-	395,939	804,091	517,017
Restricted:										
Law library operations	-	-	-	604,546	627,713	642,423	657,910	590,095	561,679	585,268
Senior services	-	-	-	8,029	58,266	46,352	16,310	20,175	26,895	146,606
Public safety	-	-	-	1,066,488	1,171,253	1,157,181	338,761	152,787	90,165	191,819
Court services	-	-	-	-	-	-	532,700	1,320,763	1,501,402	1,638,143
Donations for improvements	-	-	-	16,142	17,428	28,834	-	-	-	-
Grant activities	-	-	-	36,849	103,426	148,199	411,560	600,514	615,484	513,080
Jail operation and maintenance	-	-	-	1,631,370	1,012,584	986,710	1,011,153	1,020,298	771,302	826,431
E911 operations	-	-	-	1,423,953	1,379,538	1,674,744	1,839,355	2,256,915	2,531,110	2,740,315
Hotel/Motel tax	-	-	-	-	-	-	592,744	-	-	-
Impact fees - library projects	-	-	-	449,882	397,914	527,456	699,631	950,600	1,201,530	1,422,710
Impact fees - fire projects	-	-	-	57,176	154,133	668,982	782,975	947,438	1,540,006	636,141
Impact fees - park projects	-	-	-	621,285	669,924	860,450	457,013	709,959	896,405	420,846
Impact fees - public safety facility projects	-	-	-	1,252,305	1,300,247	1,582,939	1,728,259	1,987,614	2,340,518	2,749,144
Impact fees - road projects	-	-	-	977,380	1,092,657	1,472,878	1,516,164	1,576,746	1,701,879	1,813,874
Impact fees - administration projects	-	-	-	429,397	446,199	151,215	344,958	383,851	351,507	400,549
Impact fees - Canton fire stations	-	-	-	-	-	-	-	-	583,713	636,098
Health and welfare	-	-	-	-	26,131	9,173	-	89,290	179,445	130,742
Debt service	-	-	-	8,526,268	7,969,618	769,088	1,302,487	700,780	180,029	101,274
Cultural and recreation construction	-	-	-	21,593,785	24,895,111	9,623,342	24,204,697	20,056,462	10,961,838	1,238,653
SPLOST projects	-	-	-	7,915,351	15,360,142	20,248,996	32,020,272	41,371,608	44,710,269	49,341,345
Unincorporated services	-	-	-	-	2,583,397	4,883,151	8,446,953	10,290,986	**	**
Fire protection services	-	-	-	12,085,812	3,204,615	4,882,191	5,056,514	5,728,653	5,924,814	6,702,544
Committed:										
Jail and inmate services	-	-	-	45,979	65,301	24,386	29,637	51,919	243,618	453,562
Animal services	-	-	-	16,934	47,271	70,713	34,312	55,923	298,110	350,616
Park and recreation activities	-	-	-	216,343	64,916	442,890	408,684	281,298	487,980	358,846
Unassigned	-	-	-	(203,234)	(32,384)	(27,666)	(7,652)	(2,891)	(178)	-
<b>Total All Other Governmental Funds</b>	<b>29,775,771</b>	<b>59,229,983</b>	<b>58,753,235</b>	<b>59,454,060</b>	<b>63,061,902</b>	<b>51,289,259</b>	<b>82,767,835</b>	<b>92,389,616</b>	<b>78,865,736</b>	<b>74,250,108</b>
<b>Total All Governmental Funds</b>	<b>\$ 62,894,864</b>	<b>\$ 88,866,813</b>	<b>\$ 83,934,943</b>	<b>\$ 89,645,505</b>	<b>\$ 67,436,417</b>	<b>\$ 61,091,447</b>	<b>\$ 93,914,870</b>	<b>\$ 105,775,875</b>	<b>\$ 106,580,938</b>	<b>\$ 103,919,115</b>

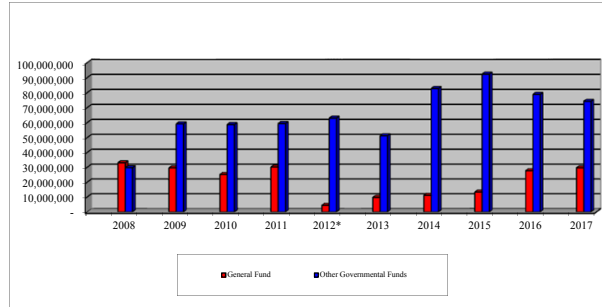
\* NOTE: Fiscal Year 2012 only contained nine (9) months. The County converted to a fiscal year ending September from December.

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

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

Fiscal year 2015 was restated for unrecorded inventory.

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



**CHEROKEE COUNTY, GEORGIA**

**CHANGE IN FUND BALANCE, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2008	2009	2010	2011	2012*	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$ 93,537,984	\$ 99,221,526	\$ 95,491,171	\$ 100,817,537	\$ 40,534,858	\$ 108,580,845	\$ 112,937,239	\$ 121,946,651	\$ 128,474,185	\$ 135,094,237
Licenses and permits	1,747,414	1,201,006	1,179,738	1,168,702	1,280,779	1,900,386	2,084,729	2,594,651	3,041,029	3,544,835
Fines and penalties	7,335,862	5,988,839	6,159,605	6,607,933	4,819,636	6,908,913	6,447,136	6,391,950	6,331,870	6,612,636
Charges for services	18,285,225	15,381,048	14,369,407	14,284,477	8,792,207	16,432,906	16,574,190	17,287,781	19,636,433	18,033,413
Intergovernmental	3,741,517	3,287,187	4,426,846	5,371,357	3,876,650	7,155,617	4,256,449	4,754,515	7,575,190	9,498,046
Investment earnings	1,270,686	487,214	183,046	51,072	43,807	45,472	123,887	203,479	413,581	881,925
Other revenues	896,079	1,546,588	2,335,660	3,224,165	1,208,636	4,745,132	2,338,057	6,356,723	2,447,045	1,929,682
<b>Total revenues</b>	<b>126,814,767</b>	<b>127,113,409</b>	<b>124,145,473</b>	<b>131,525,243</b>	<b>60,556,573</b>	<b>145,769,271</b>	<b>144,761,687</b>	<b>159,535,750</b>	<b>167,919,333</b>	<b>175,594,774</b>
<b>Expenditures</b>										
General government	13,725,770	12,678,432	10,587,252	9,145,033	7,558,761	9,735,759	9,694,959	10,175,646	11,786,252	12,350,652
Judicial	13,109,919	12,634,661	12,541,103	12,190,687	8,910,791	13,339,510	13,732,332	14,869,642	16,216,192	16,739,789
Public safety	54,968,804	54,685,636	54,767,227	53,128,844	37,797,938	51,980,901	56,266,089	60,645,344	66,005,871	70,565,805
Public works	10,840,241	8,682,763	8,366,354	8,981,853	6,739,208	8,650,391	10,375,660	8,251,788	9,517,506	9,314,944
Health and welfare	5,352,280	4,497,164	5,443,570	4,810,705	3,354,025	2,747,382	2,887,530	2,773,972	3,050,269	3,086,649
Housing and development	5,440,200	5,231,606	3,502,384	4,832,386	2,262,564	3,456,310	6,890,514	7,518,258	6,547,593	4,251,725
Culture and recreation	2,032,927	6,338,228	5,411,523	3,605,951	3,905,096	5,700,838	4,330,470	6,756,342	6,967,373	8,447,155
Capital Outlay	23,117,171	25,501,385	19,157,660	7,816,079	12,767,749	33,851,092	15,705,022	13,555,389	28,098,061	30,940,506
Debt Service:										
Principal	6,951,789	7,033,223	10,312,937	10,466,097	3,584,045	11,048,319	3,415,827	4,440,062	4,103,333	8,864,966
Bond issuance costs	-	496,642	3,607,748	3,754,944	115,525	1,550	194,384	2,279	243,004	550
Interest	2,025,332	3,268,743	134,853	-	2,170,632	3,318,527	3,060,401	3,386,554	4,384,938	2,562,914
Intergovernmental	-	6,238,285	6,317,565	6,159,277	5,328,013	7,526,940	8,045,732	14,113,597	9,756,629	10,270,527
<b>Total expenditures</b>	<b>137,564,433</b>	<b>147,286,768</b>	<b>140,150,176</b>	<b>124,891,856</b>	<b>94,494,347</b>	<b>151,357,519</b>	<b>134,598,920</b>	<b>146,488,873</b>	<b>166,677,021</b>	<b>177,396,182</b>
Excess (deficiency) of revenues over (under) expenditures	(10,749,666)	(20,173,359)	(16,004,703)	6,633,387	(33,937,774)	(5,588,248)	10,162,767	13,046,877	1,242,312	(1,801,408)
<b>Other Financing Sources (Uses)</b>										
Proceeds from bond issues	9,191,451	45,000,000	10,767,000	-	11,410,000	-	22,823,000	-	-	-
Proceeds from refunded bonds	-	-	-	-	-	-	-	-	28,450,000	-
Discount on bonds sold	-	-	-	-	-	-	-	-	-	-
Premium on issuance of bonds	-	1,825,087	-	-	-	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	-	-	-	607,524	215,476
Proceeds from sale of assets	100,871	118,096	710,324	51,907	44,271	42,427	760,320	422,439	94,290	323,001
Payment to refunded bond escrow	-	-	-	-	-	-	-	-	(28,201,489)	-
Insurance reimbursement	-	-	-	-	-	-	-	-	-	197,308
Transfers in	15,234,872	11,504,413	12,074,226	16,016,357	5,866,999	5,641,614	4,935,848	3,415,092	14,356,019	8,439,564
Transfers out	(16,598,590)	(12,302,289)	(12,478,717)	(16,991,089)	(6,439,448)	(6,440,763)	(5,858,513)	(5,419,342)	(15,743,593)	(10,035,764)
<b>Total other financing sources (uses)</b>	<b>7,928,604</b>	<b>46,145,307</b>	<b>11,072,833</b>	<b>(922,825)</b>	<b>10,881,822</b>	<b>(756,722)</b>	<b>22,660,655</b>	<b>(1,581,811)</b>	<b>(437,249)</b>	<b>(860,415)</b>
<b>Net Change in Fund Balance</b>	<b>(2,821,062)</b>	<b>25,971,948</b>	<b>(4,931,870)</b>	<b>5,710,562</b>	<b>(23,055,952)</b>	<b>(6,344,970)</b>	<b>32,823,422</b>	<b>11,465,066</b>	<b>805,063</b>	<b>(2,661,823)</b>
<b>Fund Balances, beginning of the year (restated)</b>	<b>65,715,927</b>	<b>62,894,865</b>	<b>88,866,813</b>	<b>83,934,943</b>	<b>90,492,370</b>	<b>67,436,418</b>	<b>61,091,448</b>	<b>93,914,870</b>	<b>105,775,875</b>	<b>106,580,938</b>
<b>Fund Balances, end of year</b>	<b>\$ 62,894,865</b>	<b>\$ 88,866,813</b>	<b>\$ 83,934,943</b>	<b>\$ 89,645,505</b>	<b>\$ 67,436,418</b>	<b>\$ 61,091,448</b>	<b>\$ 93,914,870</b>	<b>\$ 105,379,936</b>	<b>\$ 106,580,938</b>	<b>\$ 103,919,115</b>

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

Debt service as a percentage of noncapital expenditures	7.84%	8.46%	8.64%	8.94%	7.04%	12.23%	5.34%	5.88%	6.10%	7.74%
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**CHEROKEE COUNTY, GEORGIA**

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

<u>Function/Program</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012*</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Primary Government:										
Governmental Activities:										
General government	\$ 5,378,477	\$ 4,227,355	\$ 5,329,530	\$ 5,629,940	\$ 2,158,592	\$ 4,868,288	\$ 4,584,286	\$ 4,902,176	\$ 7,524,359	\$ 8,004,882
Judicial	8,558,858	7,405,579	6,996,592	7,352,353	5,461,108	7,123,277	6,795,575	7,094,400	7,352,778	7,407,962
Public safety	6,545,013	6,394,475	6,440,709	6,656,136	5,250,300	7,500,229	7,882,437	7,964,565	9,896,991	11,360,510
Public works	16,747,949	15,651,517	21,197,450	14,444,269	6,133,826	12,924,448	12,486,080	16,279,740	19,995,323	13,539,550
Health and welfare	2,245,279	1,774,877	2,309,171	2,304,508	2,262,152	1,789,272	2,030,904	2,565,552	1,614,124	1,453,100
Culture and recreation	1,123,960	938,345	1,120,369	1,377,358	830,877	2,903,131	2,475,950	2,622,768	2,558,091	2,501,221
Housing and development	729,171	976,699	848,876	902,726	1,086,243	1,656,272	1,800,287	2,293,281	1,674,699	812,218
Total Governmental Activities	<u>41,328,707</u>	<u>37,368,847</u>	<u>44,242,697</u>	<u>38,667,290</u>	<u>23,183,098</u>	<u>38,764,917</u>	<u>38,055,519</u>	<u>43,722,482</u>	<u>50,616,365</u>	<u>45,079,443</u>
Business-type Activities:										
Emergency medical services	6,072,067	3,842,690	5,886,811	6,383,784	5,350,425	6,145,189	7,256,138	3,909,969	5,039,277	5,331,808
Conference center	-	29,059	32,038	34,638	14,610	114,874	36,200	37,243	365,779	349,853
Total Business-type Activities	<u>6,072,067</u>	<u>3,871,749</u>	<u>5,918,849</u>	<u>6,418,422</u>	<u>5,365,035</u>	<u>6,260,063</u>	<u>7,292,338</u>	<u>3,947,212</u>	<u>5,405,056</u>	<u>5,681,661</u>
Total Primary Government	<u>\$ 47,400,774</u>	<u>\$ 41,240,596</u>	<u>\$ 50,161,546</u>	<u>\$ 45,085,712</u>	<u>\$ 28,548,133</u>	<u>\$ 45,024,980</u>	<u>\$ 45,347,857</u>	<u>\$ 47,669,694</u>	<u>\$ 56,021,421</u>	<u>\$ 50,761,104</u>

Note: The County created a Conference Center fund in 2009.

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

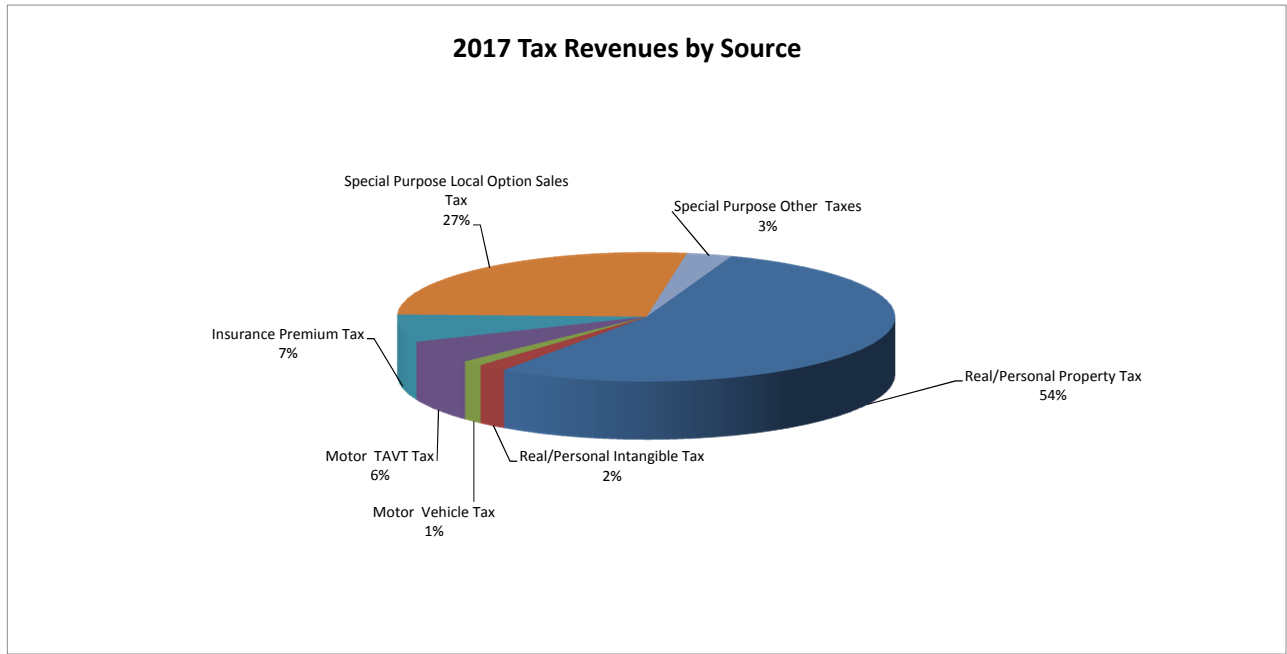
CHEROKEE COUNTY, GEORGIA

TAX REVENUES BY SOURCE , GOVERNMENTAL FUNDS

(modified accrual basis of accounting)

Year Ended	Real/Personal Property Tax	Intangible Tax	Motor Vehicle Tax	TAVT Tax	Insurance Premium Tax	Special Purpose Local Option Sales Tax	Other Taxes	Total
12/31/2008	\$ 49,837,451	\$ 1,532,979	\$ 4,747,990	\$ -	\$ 5,932,023	\$ 29,253,737	\$ 2,233,804	\$ 93,537,984
12/31/2009	58,810,094	1,427,202	4,203,836	-	5,846,968	26,479,225	2,454,201	99,221,526
12/31/2010	53,948,183	1,109,956	4,680,857	-	5,686,599	27,591,845	2,473,731	95,491,171
12/31/2011	56,712,075	1,054,289	4,679,431	-	6,508,474	29,288,708	2,574,560	100,817,537
9/30/2012*	3,191,463	1,118,726	4,329,554	-	6,953,110	22,705,059	2,236,946	40,534,858
9/30/2013	56,803,151	1,889,135	5,619,399	3,831,553	7,226,640	30,239,488	2,971,480	108,580,846
9/30/2014	57,869,082	1,439,824	4,228,192	7,188,520	7,626,040	31,690,072	3,105,335	113,147,065
9/30/2015	63,816,626	1,950,412	3,103,752	7,623,956	8,166,299	33,980,669	3,304,937	121,946,651
9/30/2016	69,154,204	2,406,649	2,415,265	7,088,598	8,689,185	35,173,128	3,547,156	128,474,185
9/30/2017	73,201,263	2,594,850	1,834,894	7,775,082	9,300,914	36,606,236	3,995,230	135,308,469

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



CHEROKEE COUNTY, GEORGIA

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

Digest Year	Residential Property		Commercial Property		Industrial Property		Less: Tax Exempt Property	Total Reporting Entity		Total Direct Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value	
2008	\$ 5,450,894,960	\$ 13,627,237,400	\$ 952,621,800	\$ 2,381,554,500	\$ 172,166,452	\$ 430,416,130	\$ 389,604,965	\$ 9,259,006,566	\$ 23,147,516,415	7.123
2009	5,148,444,120	12,871,110,300	977,086,873	2,442,717,182	177,544,916	443,862,290	400,700,705	9,001,790,326	22,504,475,815	7.703
2010	4,728,740,840	11,821,852,100	939,414,009	2,318,535,023	168,121,006	420,302,515	411,417,625	8,246,552,393	20,616,380,982	8.298
2011	4,435,075,476	11,087,688,690	832,187,128	2,080,467,820	148,216,320	370,540,800	432,262,840	7,721,058,141	19,302,645,352	9.135
2012	4,045,193,924	10,112,984,810	795,440,256	1,988,600,640	141,986,494	354,966,235	431,488,680	7,184,006,964	17,960,017,410	9.999
2013	4,178,158,525	10,445,396,312	789,629,631	1,974,074,077	143,475,211	358,688,027	436,392,400	7,346,963,565	18,367,408,912	9.947
2014	4,809,272,244	12,023,180,610	870,585,091	2,176,462,727	146,882,487	367,206,217	463,837,120	7,922,163,058	19,805,407,645	9.908
2015	5,372,928,638	13,432,321,595	870,471,411	2,176,178,527	148,467,242	371,168,105	655,666,600	8,524,129,822	21,310,324,555	9.900
2016	5,931,815,066	14,829,537,665	947,220,118	2,368,050,295	158,428,041	396,070,103	675,249,400	9,255,282,958	23,138,207,395	9.663
2017	6,586,480,914	16,466,202,285	1,187,802,277	2,969,505,692	198,137,138	495,342,845	836,204,360	9,631,175,330	24,077,938,325	9.362

\* 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	
2008	4.381	2.742		7.123	0.25	18.450	0.400	18.850	26.223
2009	4.381	2.742	0.580	7.703	0.25	18.450	0.400	18.850	26.803
2010	4.720	2.950	0.628	8.298	0.25	19.450	0.400	19.850	28.398
2011	5.365	3.129	0.641	9.135	0.25	19.450	0.400	19.850	29.235
2012	5.825	3.394	0.780	9.999	0.20	19.450	0.400	19.850	30.049
2013	5.798	3.373	0.776	9.947	0.15	19.450	0.400	19.850	29.947
2014	5.728	3.436	0.744	9.908	0.10	19.450		19.450	29.458
2015	5.728	3.436	0.744	9.908	0.05	19.450		19.450	29.408
2016	5.680	3.374	0.609	9.663	0.00	19.450		19.450	29.113
2017	5.483	3.298	0.581	9.362	0.00	18.950	0.500	19.450	28.812

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)**

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<b>Fiscal Year</b>	<b>Cherokee County SPLOST</b>	<b>County Schools E-SPLOST</b>	<b>State</b>	<b>Total Sales Tax Rate</b>
2008	1.00%	1.00%	4.00%	6.00%
2009	1.00%	1.00%	4.00%	6.00%
2010	1.00%	1.00%	4.00%	6.00%
2011	1.00%	1.00%	4.00%	6.00%
2012	1.00%	1.00%	4.00%	6.00%
2013	1.00%	1.00%	4.00%	6.00%
2014	1.00%	1.00%	4.00%	6.00%
2015	1.00%	1.00%	4.00%	6.00%
2016	1.00%	1.00%	4.00%	6.00%
2017	1.00%	1.00%	4.00%	6.00%



## CHEROKEE COUNTY, GEORGIA

### PRINCIPAL PROPERTY TAXPAYERS September 30,

Taxpayer	2017			2008		
	Assessed Value	Rank	% of Total Assessment	Assessed Value	Rank	% of Total Assessment
Georgia Power	\$ 50,427,943	1	0.54%	\$ 32,755,787	1	0.35%
Northside Hospital	40,727,160	2	0.44%			
Atlanta Gas Light Company	34,570,552	3	0.37%	31,993,446	2	0.35%
Cobb EMC	24,260,052	4	0.26%	21,840,352	3	0.24%
Cole Mountain Market Place	22,596,120	5	0.24%			
Bill Fund V Woodstock LLC	20,824,480	6	0.23%			
Universal Alloy Corporation	17,617,403	7	0.19%			
Walton Woodstock Apt.	15,591,360	8	0.17%			
Georgia Transmission	15,430,596	9	0.17%	15,064,549	6	0.16%
Mid-America Apartment Comm	15,056,040	10	0.16%	11,357,160	10	0.12%
BellSouth Telecommunications				14,232,294	7	0.15%
AllTel				18,577,760	4	0.20%
CH Realty IV / Woodstock, LLC				18,243,330	5	0.20%
DDRM Riverstone Plaza LLC				13,969,440	8	0.15%
Forestar Real Estate Group, Inc.				12,387,480	9	0.13%
	<u>\$ 257,101,706</u>		<u>2.78%</u>	<u>\$ 190,421,598</u>		<u>2.06%</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	
2008	\$ 51,585,541	\$ 43,223,045	83.79%	\$ 5,682,664	01-01-09 to 1-23-18	\$ 48,905,709	94.81%	
2009	** 54,038,156	47,854,035	88.56%	5,796,419	01-01-10 to 1-23-18	53,650,454	99.28%	
2010	** 53,438,477	48,273,578	90.33%	4,922,624	01-01-11 to 1-23-18	53,196,202	99.55%	
2011	** 55,348,553	50,886,129	91.94%	4,122,145	01-01-12 to 1-23-18	55,008,274	99.39%	
2012	** 55,452,483	1,359,612	2.45%	53,942,306	01-01-12 to 1-23-18	55,301,918	99.73%	
2013	** 56,423,411	769,001	1.36%	55,600,654	10-01-13 to 1-23-18	56,369,655	99.90%	
2014	** 62,612,461	2,137,638	3.41%	60,061,770	10-01-14 to 1-23-18	62,199,408	99.34%	
2015	** 68,137,272	121,805	0.18%	67,786,519	10-01-15 to 1-23-18	67,908,324	99.66%	
2016	** 71,963,231	273,107	0.38%	71,406,171	10-01-16 to 1-23-18	71,679,278	99.61%	
2017	** 76,595,461	1,065,069	1.39%	73,022,418	10-01-17 to 1-23-18	74,087,488	96.73%	

Source: Cherokee County Tax Commissioner

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

\*\* Includes new tax for Parks and Recreation Bonds approved by voter referendum in 2008.

**CHEROKEE COUNTY, GEORGIA**

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

<b>Year of Tax Levy</b>	<b>9/30/2012</b>	<b>9/30/2013</b>	<b>9/30/2014</b>	<b>9/30/2015</b>	<b>9/30/2016</b>	<b>9/30/2017</b>
2008	\$ 9,624	\$ 7,515	\$ 3,926	\$ 2,247	\$ 2,054	\$ 1,696
2009	30,778	20,692	11,647	4,190	3,692	2,943
2010	125,428	55,226	31,520	5,939	4,982	4,335
2011	619,129	126,531	36,893	13,621	8,112	5,884
2012	-	500,325	154,722	49,984	43,520	8,819
2013	-	-	559,625	45,568	33,117	10,899
2014	-	-	-	148,317	25,579	12,921
2015	-	-	-	*	148,729	27,180
2016	-	-	-	-	-	48,141
2017	-	-	-	-	-	229,559
<b>TOTAL</b>	<b>\$ 784,960</b>	<b>\$ 710,289</b>	<b>\$ 798,333</b>	<b>\$ 269,865</b>	<b>\$ 269,785</b>	<b>\$ 352,376</b>

Source: Cherokee County Tax Commissioner

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

**CHEROKEE COUNTY, GEORGIA**

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

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	% of Personal Income	Per Capita	Population	Personal Income
	General Obligation	Resource Recovery Development Authority	Development Authority Loans	Capital Leases	Capital Leases	Capital Leases					
2008	\$ 27,535,000	\$ 18,145,000	\$ -	\$ 1,385,510	\$ -	\$ -	\$ 47,065,510	0.61%	223.56	210,529	36,580
2009	66,020,000	18,145,000	5,448,261	867,005	-	-	90,480,267	1.22%	420.67	215,084	34,450
2010	67,097,000	18,145,000	7,279,404	534,350	-	-	93,055,754	1.25%	434.14	214,346	34,780
2011	57,067,000	17,545,000	7,109,728	408,254	-	-	82,129,982	1.02%	376.25	218,286	36,898
2012	65,317,000	17,220,000	6,872,733	309,209	-	-	89,718,942	1.06%	405.39	221,315	38,417
2013	56,017,833	16,679,221	6,614,092	170,889	-	-	79,482,035	0.89%	356.10	223,200	39,930
2014	75,810,432	16,327,728	6,342,604	25,062	-	-	98,505,826	1.03%	426.46	230,985	41,322
2015	71,658,319	15,955,902	2,582,449	-	-	-	90,196,670	0.92%	382.35	235,900	41,593
2016	71,014,585	15,558,720	603,530	594,191	-	-	87,771,026	0.86%	365.56	240,100	42,546
2017	66,604,669	11,136,163	-	674,701	-	-	78,415,533	0.69%	322.52	243,136	46,547

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

**CHEROKEE COUNTY, GEORGIA**

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

(Unaudited)

Fiscal Year	General Bonded Debt Outstanding			Less: Amounts available in Debt Service Fund	Net Primary Government	% of Actual Value of Property	Per Capita	Population	Actual Property Value
	General Obligation	Development Authority	Resource Recovery Development Authority						
2008	\$ 27,535,000	\$ 1,405,000	\$ 18,145,000	\$ 7,987,494	\$ 39,097,506	0.42%	186.14	210,044	\$ 9,259,006,566
2009	66,020,000	775,000	18,145,000	4,023,396	80,916,604	0.90%	376.21	215,084	9,001,790,326
2010	67,097,000	-	18,145,000	6,268,759	78,973,241	0.96%	368.44	214,346	8,246,552,393
2011	57,067,000	-	17,545,000	8,526,268	66,085,732	0.86%	302.75	218,286	7,721,058,141
2012	65,317,000	-	17,220,000	7,969,618	74,567,382	1.04%	336.93	221,315	7,184,006,964
2013	56,017,833	-	16,679,221	769,088	71,927,966	0.98%	322.11	223,300	7,346,963,565
2014	75,810,432	-	16,327,728	1,302,487	90,835,673	1.15%	393.25	230,985	7,922,163,058
2015	71,658,319	-	15,955,902	700,780	86,913,441	1.02%	368.43	235,900	8,524,129,822
2016	71,014,585	-	15,558,720	178,864	86,394,441	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

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

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

**CHEROKEE COUNTY, GEORGIA**

**DIRECT GENERAL OBLIGATION AND  
OVERLAPPING GENERAL OBLIGATION AND GUARANTEED REVENUE DEBT  
SEPTEMBER 30, 2017**

(Unaudited)

General Obligation Debt:		
2009 Issue	\$ 4,519,669	
2010 Issue	8,767,000	
2011 Issue	4,910,000	
2014 Issue	20,423,000	
2015 Refunding	27,985,000	
Total General Obligation Debt		66,604,669
Capital Lease Debt		674,701
Direct Guaranteed Revenue Debt:		
2007 Resource Recovery Development Authority Bonds	11,136,163	
Total Guaranteed Revenue Debt		11,136,163
Total Direct Debt		<u>78,415,533</u>
Overlapping General Obligation Debt		
Cherokee County School System	553,510,222	
Total Overlapping Debt		<u>553,510,222</u>
Total Direct and Overlapping Debt		<u>\$ 631,925,755</u>
Cherokee County Debt per Capita:(1)		
Direct General Obligation Debt	\$ 273.94	
Direct Capital Lease Debt	2.77	
Direct Guaranteed Revenue Debt	45.80	
Overlapping General Obligation Debt	2,276.55	
	<u>\$ 2,599.06</u>	

(1) Based on estimated population of 243,136 as provided by the Atlanta Regional Commission.

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

**CHEROKEE COUNTY, GEORGIA**

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS**

(dollars in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed Value	\$ 9,259,007	\$ 9,001,790	\$ 8,246,552	\$ 7,721,058	\$ 7,184,007	\$ 7,346,964	\$ 7,922,163	\$ 8,524,130	\$ 9,255,283	\$ 9,631,175
Debt Limit: 10% of assessed	925,901	900,179	824,655	772,106	718,401	734,696	792,216	852,413	925,528	963,118
Less: Debt applicable to debt limit	28,000	66,020	67,097	57,067	65,317	56,018	75,810	71,658	71,015	66,605
Legal Debt Margin	\$ 897,901	\$ 834,159	\$ 757,558	\$ 715,039	\$ 653,084	\$ 678,678	\$ 716,406	\$ 780,755	\$ 854,513	\$ 896,513

**CHEROKEE COUNTY, GEORGIA**

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

(dollars in thousands)

Fiscal Year	Development Authority Revenue Bonds				Special Purpose Local Option Sales Tax Bonds					
	Debt Service				Sales Tax	Less: Projects	Net Available Revenue	Debt Service		
	Land Sales	Principal	Interest	Coverage				Principal	Interest	Coverage
2008	-	680	93	-	29,254	27,980	1,274	6,325	1,251	0.17
2009	-	725	48	-	26,479	24,942	1,537	6,515	1,049	0.20
2010	733	287	161	1.64	27,592	22,559	5,033	6,745	804	0.67
2011	-	-	-	-	29,289	11,251	18,038	6,980	536	2.40
2012*	-	-	-	-	22,705	8,947	13,758	-	234	58.79
2013	-	-	-	-	30,240	28,263	1,977	7,295	117	0.27
2014	-	-	-	-	31,690	20,697	10,993	-	-	-
2015	4,144	-	-	-	33,981	26,544	7,437	-	-	-
2016	1,848	-	-	-	35,173	33,855	1,318	-	-	-
2017	4,505	-	-	-	36,606	33,369	3,237	-	-	-

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



**CHEROKEE COUNTY, GEORGIA**

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

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<b>Year Ended</b>	<b>Estimated Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
12/31/2008	210,529	7,618,522	36,580	33.0	36,500	8.20%
12/31/2009	215,084	7,311,454	34,450	35.2	38,105	10.01%
12/31/2010	214,346	7,486,312	34,780	34.1	38,585	8.90%
12/31/2011	218,286	8,054,368	36,898	36.3	38,290	7.90%
9/30/2012	221,315	8,502,157	38,417	36.7	39,161	6.90%
9/30/2013	223,300	8,988,534	39,930	36.8	39,324	6.00%
9/30/2014	230,985	8,748,231	42,210	37.0	41,322	5.70%
9/30/2015	235,900	8,966,897	44,945	37.2	41,593	4.00%
9/30/2016	240,100	9,294,614	46,547	38.5	42,546	4.10%
9/30/2017	243,136	11,317,251	46,547 *	37.4	46,547	3.40%

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

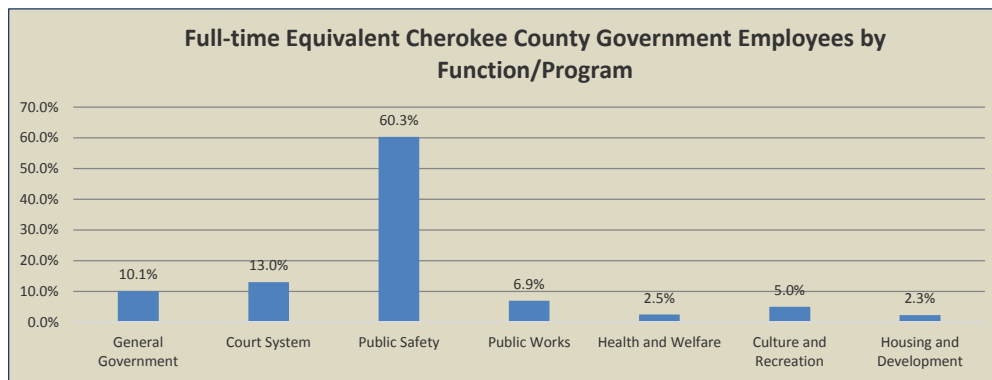
Employer	2017			2008		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Cherokee County Schools	4,771	1	2.0%	5,000	1	*
Cherokee County Government	1,665	2	0.7%	1,330	2	*
Northside-Cherokee Hospital	1,500	3	0.6%			
Publix Supermarkets	1,085	4	0.5%	740	4	*
Pilgrims Pride Corp.	835	5	0.3%	850	3	*
Chart Inc.	650	6	0.3%	262	7	*
Wal-Mart Associates, Inc.	500	7	0.2%			
Universal Alloy Corporation	440	8	0.2%	500	5	*
Inalfa Roof Systems	415	9	0.2%			
Belnick, Inc	350	10	0.1%			
Piolax Corporation				250	8	*
Meyn America, Inc.				285	6	*
Reinhardt University				205	9	*
City of Woodstock				193	10	*
	12,211		5.1%	9,615		0.0%

\* Information is not readily available.

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

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

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	137	142	144	134	127	126	127	133	133	138
Court System	138	167	167	158	154	155	161	161	164	178
Public Safety	704	787	784	757	742	745	769	794	816	826
Public Works	103	92	93	92	90	87	87	91	93	95
Health and Welfare	19	33	34	33	33	32	32	32	28	34
Culture and Recreation	11	42	42	39	41	62	70	71	67	68
Housing and Development	33	33	31	29	22	22	26	26	27	31
<b>Total</b>	<b>1,145</b>	<b>1,297</b>	<b>1,295</b>	<b>1,242</b>	<b>1,208</b>	<b>1,231</b>	<b>1,273</b>	<b>1,308</b>	<b>1,328</b>	<b>1,370</b>



**CHEROKEE COUNTY, GEORGIA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
 Unaudited

Function/Program	12/31	12/31	12/31	12/31	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30	YE 9/30
	2008	2009	2010	2011	2012*	2013	2014	2015	2016	2017
<b>General Government</b>										
Total registered voters	119,024	129,056	133,298	136,239	143,863	147,813	147,965	151,842	164,920	163,869
<b>Judicial System</b>										
Total criminal dockets	*	1,296	1,280	1,193	1,171	1,844	1,272	1,354	1,128	1,195
Total civil cases filed	4,551	4,413	3,641	3,323	1,171	2,717	2,445	1,354	2,746	2,657
Felony arrest warrants	2,707	2,873	2,821	1,957	1,702	1,657	2,150	2,412	2,671	3,070
Marriage licenses issued	1,081	960	1,010	1,037	769	1,085	1,142	1,199	1,312	1,379
Firearm licenses issued	2,466	3,064	2,195	2,237	2,224	5,307	4,165	4,813	7,088	4,970
<b>Public Safety</b>										
Physical arrests	*	5,958	5,405	5,680	5,409	6,351	5,843	5,848	6,351	5,429
Fire emergency responses	16,537	16,281	17,604	19,215	18,820	18,704	21,074	22,015	24,526	25,765
EMS dispatches	11,497	11,606	11,010	13,331	13,771	13,638	15,073	16,056	16,616	16,842
All E-911 calls	388,659	408,715	336,103	331,736	320,339	317,515	330,337	340,642	343,709	330,933
EOC activations	27	9	11	17	2	9	7	3	4	10
<b>Public Works</b>										
Miles maintained	1,226	1,257	1,275	1,283	1,285	1,290	1,298	1,308	1,318	1,320
GDOT LARP/LMIG resurfaced	59	57	53	17	8	8	20	9	7	11
<b>Health and Welfare</b>										
Home delivered meals	31,615	50,241	45,609	46,184	34,103	39,207	43,754	37,598	38,335	28,900
<b>Housing and Development</b>										
Building inspections conducted	8,494	6,037	6,287	5,795	4,854	8,676	11,252	12,909	17,769	23,624
New business licenses	1,358	1,262	1,096	1,168	743	777	790	908	763	624
Business license renewals	5,748	5,812	5,425	4,283	4,117	5,316	5,192	4,926	6,113	7,245

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

CHEROKEE COUNTY, GEORGIA

CAPITAL ASSETS BY FUNCTION  
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012*</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental										
Buildings/Land	19	23	22	22	19	20	19	19	19	16
Vehicles	29	30	32	31	31	31	32	32	40	40
Judicial										
Buildings/Land	1	1	1	1	1	1	1	1	1	1
Vehicles	20	19	21	19	19	19	19	19	19	22
Sheriff/Law Enforcement										
Buildings/Training Ctr/Land	10	11	11	11	11	11	13	11	11	11
Vehicles	258	274	281	261	268	279	272	267	274	285
Fire/EMS										
Fire Stations/Training Ctr/Land	19	20	21	20	21	21	24	25	26	29
Vehicles	60	58	78	79	81	81	80	81	81	81
Pumpers/Ladder Trucks	38	40	40	38	38	39	40	43	40	41
Animal Shelter/Animal Control										
Building/Land	2	2	2	2	2	2	2	2	2	2
Vehicles	8	8	8	8	8	9	9	10	10	11
Public Works										
Buildings/Land	9	9	9	9	9	9	9	9	10	11
Street Miles	1,226	1257	1275	1283	1285	1290	1298	1308	1318	1320
Traffic Signals	51	52	52	52	52	53	54	54	55	56
Bridges/Culverts	69	70	70	70	70	70	70	70	70	70
Vehicles	70	64	65	64	63	65	68	68	78	74
Machinery & Equipment	63	60	59	56	57	58	57	62	69	71
Health Welfare										
Buildings/Land	3	3	3	3	3	2	3	8	8	8
Vehicles	18	18	4	6	6	6	5	5	8	12
Culture/Recreation										
Buildings/Land	23	33	61	57	58	59	58	59	59	58
Code Enforcement										
Buildings/Land	5	3	3	3	3	3	3	3	3	3
Vehicles	21	19	18	17	17	18	17	18	25	22
Environmental Health										
Vehicles	2	2	2	2	2	0	0	0	0	0
Ball Ground Recycling										
Buildings/Land					6	6	6	0	0	0
Machinery & Equipment					44	44	44	0	0	0
<b>Total Assets</b>	<b>2,024</b>	<b>2,076</b>	<b>2,138</b>	<b>2,114</b>	<b>2,174</b>	<b>2,196</b>	<b>2,203</b>	<b>2,174</b>	<b>2,226</b>	<b>2,244</b>

Source: Cherokee County Finance Department