2019 ANNUAL CITIZEN’S REPORT

ANNUAL REPORT TO THE CITIZENS OF
CHEROKEE COUNTY, GEORGIA FOR FISCAL YEAR 2019:
OCTOBER 1, 2018 – SEPTEMBER 30, 2019
March 31, 2020

Citizens of Cherokee County, Georgia:

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

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

Regards,

Harry

Harry Johnston
Chairman, Cherokee County Board of Commissioners

BOARD OF COMMISSIONERS

Chairman: Harry Johnston

Board of Commissioners
District 1: Steve West
District 2: Raymond Gunnin
District 3: Benny Carter
District 4: Cory Ragsdale

Term: 4 years
Cherokee County was formed in 1830 from lands previously held by the Cherokee Indians. The very name of the county honors the proud people who first settled here. We are perfectly located 30 miles north of Atlanta where ”Metro Meets the Mountains”. There are 5 main municipalities in Cherokee County: Canton, Woodstock, Ball Ground, Holly Springs, and Waleska.

2019 Population Estimate: 263,978
2010-2019 Population % Change: 23.2%

Education Attainment:
- High School Graduate: 91.4%
- Bachelor’s degree or higher: 37.0%

Median Family Income: 79,670

2019 Unemployment Rate:
- United States: 3.5%
- Georgia: 3.5%
- Cherokee County: 2.4%

Square Miles of Area: 434
2019 General Millage Rate: 5.216

Cherokee County ranked in Top 10 counties to live in Georgia:
2019 safest cities to live in Georgia:
- #14 Holly Springs
- #15 Woodstock
- #43 Canton

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

OUR MISSION

To preserve the beauty, unique character, and desirability of the Community where we live, work, and play.

OUR GOAL

- Listen to you
- Respect your Rights
- Represent you with the highest standards of ethics and integrity

OUR PROMISE

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.

ELECTED OFFICIALS

Sheriff
Tax Commissioner
District Attorney
Chief Judge
Superior Court Judge
Superior Court Judge
Clerk of Superior Court
State Court Judge
State Court Judge
State Court Judge
Juvenile & Family Court Judge
Juvenile & Family Court Judge
State Court Solicitor
Magistrate Court Judge
Judge of Probate Court
Coroner
Surveyor
Frank Reynolds
Sonya Little
Shannon Wallace
Jackson Harris
David Cannon, Jr.
Ellen McElveya
Patty Baker
Michelle Homier
Alan Jordan
Dee Morris
Anthony Baker
John B. Sumner
Jessica Moss
James Drane
Keith Wood
Earl Darby
Ron Wikle

APPOINTED OFFICIALS

County Manager
County Clerk
County Attorney
Jerry W. Cooper
Christy Black
Angela Davis, Jarrard & Davis LLP
THE 2019 HAPPENINGS

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

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

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

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

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

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

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

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

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

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

1) “Georgia Deal of the Year” from the Georgia Economic Developers Association for The Mill on Etowah.

2) “Gold” Award for excellence in Economic Development from the Economic Development Council for Cherokee 75 Corporate Park.
CHEROKEE’S RECOGNITIONS

SHERIFF’S OFFICE
The Sheriff’s Office was awarded their initial accreditation through ACA (American Correctional Association) which earned us “Triple Crown” recognition through the National Sheriff’s Association – CALEA, NCCHC, and ACA.

CHEROKEE PROBATION SERVICE
Newly created and acknowledged as a State-Recognized Misdemeanor Probation Provider.

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

FINANCE
GFOA Certificate of Achievement for Excellence in Financial Reporting
GFOA Distinguished Budget Presentation Award
GFOA Award for Outstanding Achievement Popular Annual Financial Reporting

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

GRPA District 5 Class Agency of the Year.

FIRE & EMS
Awards
- Fire Training Center obtains Paramedic Training Center Accreditation

Fire Department
- Construction began on North Canton Fire Station
- Fire Prevention delivers “Drunk Busters” Program to students
- Added additional 24 hour ambulance totaling 13 serving Cherokee County
- Graduated 46 new fire recruit Firefighters

Certified as ARC Green Community

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

MARSHAL’S OFFICE
The Marshal’s Office was recertified as a State certified law enforcement agency.

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

DID YOU KNOW?

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

Animal Control handles calls in all cities of Cherokee County

You can find County ordinances online at www.municode.com

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

AVERAGE RESPONSE TIME

00:05:15  Law Enforcement
00:06:17  Fire & Emergency Services
PUBLIC WORKS

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

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

DID YOU KNOW?

Upcoming Projects in 2020
• Univeter Road at New Light Road and Pinecrest Road intersections improvement and traffic signal
• Canton Road sidewalk – Cobb County line to Stockwood Drive
• Union Hill Road over Mill Creek bridge replacement
• SR 140 at East Cherokee Drive intersection improvement
• Woodstock Road at Victory Drive roundabout
• Wiley Bridge Road at Cox Road roundabout
• Batesville Road at Sugar Pike Road roundabout
• Union Hill Road at Lower Union Hill Road roundabout
• Holbrook Campground Road at County Line Road/Birmingham Road roundabout
• SR 140 at Sugar Pike Road traffic signal
• Trickum Road reconstruction – Sycamore Lane to Cobb County line
• Hames Road reconstruction

County residents recycled 285 tons of glass

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

26,218 feet of pipes.

+/- 1 Million Stormwater Inspected 2,105 structures and 110 miles of pipe and ditch.

886 maintained and repaired structures.

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

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

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

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

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

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

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

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

4,159 Acres Protected as Current & Future Parks
COMMUNITY DEVELOPMENT/INDUSTRY MIX

INDUSTRY GROWTH / INVESTMENT

ALMOST
$177,000,000
IN INVESTMENT

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

OVER 5100
New jobs generated from new project announcements/locations in the last 6 years

OVER 5100
Over 5100 new jobs generated from new project announcements/locations in the last 6 years.

INDUSTRY MIX

Map of Atlanta Regional Commission

DID YOU KNOW?

The Cherokee County Airport is able to accommodate private jets.

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

299 plans were submitted for site plan approval.

INDUSTRY MIX

5318 Business Licenses issued

737 New Business Licenses

15% 17% 68%
- Goods
- Services
- Government

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

Note: At printing of this report the 2019 County Industry Mix had not been published so 2018 is being used instead. We anticipate only minor changes when it is published.
The General Fund is one of the three major funds and the general operating fund of the County. It supports the regular day-to-day operations. Fund balance has grown to 41.5% of 2019 expenditures.

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

The SPLOST Funds (Special-Purpose Local-Option Sales Tax) comprise the third major fund. These funds account for collections of the SPLOST Tax. Capital project spending is dependent on the progress of construction. The fund collects sales tax revenue each month, if it is not spent in the current year, the balance will accumulate and carryforward, so the projects will be completed in future years.

This category is a combination of all other special revenue funds. This does not include any construction or debt funds. These are the other funds that are needed in running the County. They include the E911 Fund, Hotel/Motel Tax Fund, Community Development Block Grant (CDBG) Fund, Parks and Recreation Fund, Law Library Fund, and many other funds related to the Judicial and Public Safety sections of the County. At year-end 2019 the total fund balance of these Funds was 51.2% of expenditures.
The General Fund is the County’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

- General Government
- Judicial Services
- Public Safety
- Public Works
- Health & Welfare
- Capital Outlay
- Intergovernmental
- Debt Service

**Financing Sources**

- Property Taxes
- Franchise Taxes
- Fines & Forfeitures
- Charges for services
- Insurance Premium Tax
- Licenses/Permits, Intergovernmental, Interest & Other

**WHERE YOUR MONEY GOES**

**REVENUE VS. EXPENSES**

- Financing Sources
- Financing Uses
- Surplus

2017

- Property Taxes: 67%
- Franchise Taxes: 5%
- Fines & Forfeitures: 9%
- Charges for services: 11%
- Insurance Premium Tax: 3%
- Licenses/Permits, Intergovernmental, Interest & Other: 5%

2018

- Property Taxes: 49%
- Franchise Taxes: 15%
- Fines & Forfeitures: 17%
- Charges for services: 19%
- Insurance Premium Tax: 5%
- Licenses/Permits, Intergovernmental, Interest & Other: 3%

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

**MAJOR TAXES ASSESSED BY THE COUNTY**

**TOTAL TAX REVENUE BY SOURCE**

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

**AD VALOREM TAX / TAVT**

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

**SALES TAX**

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

**PROPERTY TAX**

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

**Average Monthly SPLOST Collections**

<table>
<thead>
<tr>
<th>Year</th>
<th>Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$2.65</td>
</tr>
<tr>
<td>2008</td>
<td>$2.45</td>
</tr>
<tr>
<td>2009</td>
<td>$2.35</td>
</tr>
<tr>
<td>2010</td>
<td>$2.34</td>
</tr>
<tr>
<td>2011</td>
<td>$2.42</td>
</tr>
<tr>
<td>2012</td>
<td>$2.58</td>
</tr>
<tr>
<td>2013</td>
<td>$2.52</td>
</tr>
<tr>
<td>2014</td>
<td>$2.62</td>
</tr>
<tr>
<td>2015</td>
<td>$2.83</td>
</tr>
<tr>
<td>2016</td>
<td>$2.91</td>
</tr>
<tr>
<td>2017</td>
<td>$3.04</td>
</tr>
<tr>
<td>2018</td>
<td>$3.25</td>
</tr>
<tr>
<td>2019</td>
<td>$3.59</td>
</tr>
</tbody>
</table>

* Indicates Counties without 1 cent sales tax (LOST or HOST) Counties with this tax must reduce property tax rates, resulting in lower Millage rates.
WHERE DOES YOUR PROPERTY TAX DOLLAR GO?

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

Taxes on a $274,200 home in FY 2019:
- County: $546.01
- Fire: $358.54
- Parks Bond: $52.64

Year Total: $957.20

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

*Source: Cherokee County Tax Assessor
Per Capita Comparisons

**Taxes Per Capita**

- Cherokee: $566.76
- Fulton
- Henry
- Fayette
- Douglas
- Gwinnett
- DeKalb
- Cobb
- Rockdale
- Forsyth
- Clayton

**Expenditures Per Capita**

- Cherokee: $653.44
- Fulton
- Fayette
- Gwinnett
- DeKalb
- Henry
- Rockdale
- Douglas
- Forsyth
- Cobb
- Clayton

**Long Term Debt Per Capita**

- Henry: $294.16
- Cherokee
- Clayton
- Douglas
- Fayette
- Fulton
- Gwinnett
- Cobb
- Rockdale
- DeKalb
- Forsyth

Source: Per Capita information is based on 2018 CAFR for all counties listed, as not all 2019 CAFR’s were available.
The Financial Review section is designed to provide details on the financial health and stability of Cherokee County. Included within this section are discussions of major revenue sources and major expenditure categories, analysis of fund balances, analysis of net position and significant financial trends. Information contained within this section is intended to provide the reader with an increased level of understanding of how available resources are utilized to provide services to the Citizens of Cherokee County.

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

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

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

Governmental Funds (e.g. General Fund, E-911 Fund, etc.)
Figures presented in millions. Totals subject to rounding

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$85.4</td>
<td>$89.9</td>
<td>$96.0</td>
</tr>
<tr>
<td>Insurance Premium Taxes</td>
<td>9.3</td>
<td>10.0</td>
<td>10.7</td>
</tr>
<tr>
<td>Sales and Use Taxes</td>
<td>36.6</td>
<td>39.0</td>
<td>43.6</td>
</tr>
<tr>
<td>Other Taxes (Alcohol, Franchise, Other)</td>
<td>4.0</td>
<td>3.9</td>
<td>4.1</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>3.3</td>
<td>3.3</td>
<td>2.7</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>9.5</td>
<td>12.4</td>
<td>14.3</td>
</tr>
<tr>
<td>Fines and Forfeitures</td>
<td>6.6</td>
<td>6.8</td>
<td>6.1</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>18.0</td>
<td>19.3</td>
<td>20.8</td>
</tr>
<tr>
<td>Investment Earnings</td>
<td>0.9</td>
<td>2.0</td>
<td>3.4</td>
</tr>
<tr>
<td>Contributions and Donations</td>
<td>0.3</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>1.6</td>
<td>1.4</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Total Revenues:</strong></td>
<td>$175.6</td>
<td>$188.4</td>
<td>$203.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$12.4</td>
<td>$16.0</td>
<td>$15.1</td>
</tr>
<tr>
<td>Judicial</td>
<td>16.7</td>
<td>17.7</td>
<td>19.8</td>
</tr>
<tr>
<td>Public Safety</td>
<td>70.3</td>
<td>73.4</td>
<td>81.1</td>
</tr>
<tr>
<td>Public Works</td>
<td>9.3</td>
<td>10.8</td>
<td>12.2</td>
</tr>
<tr>
<td>Health and Welfare</td>
<td>3.1</td>
<td>3.0</td>
<td>3.2</td>
</tr>
<tr>
<td>Culture and Recreation</td>
<td>8.4</td>
<td>7.6</td>
<td>7.8</td>
</tr>
<tr>
<td>Housing And Development</td>
<td>4.3</td>
<td>5.0</td>
<td>5.5</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>31.2</td>
<td>13.3</td>
<td>39.3</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>10.3</td>
<td>10.4</td>
<td>12.7</td>
</tr>
<tr>
<td>Debt Service</td>
<td>11.4</td>
<td>7.5</td>
<td>11.5</td>
</tr>
<tr>
<td><strong>Total Expenditures:</strong></td>
<td>$177.4</td>
<td>$164.7</td>
<td>$208.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess (deficiency) of Revenues over (under) Expenditures</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.8</td>
<td>$23.7</td>
<td>$-4.7</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total other financing sources (uses)</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$-2.7</td>
<td>$-23.1</td>
<td>$-6.9</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beginning Fund Balances</th>
<th>$106.6</th>
<th>$104.5</th>
<th>$127.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ending Fund Balances</td>
<td>$104.5</td>
<td>$127.6</td>
<td>$120.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proprietary Funds (EMS, Conference Center, w Internal Service Funds)</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$21.4</td>
<td>$21.6</td>
<td>$24.0</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>1.9</td>
<td>0.6</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Total Operating Revenues:</strong></td>
<td>$23.3</td>
<td>$22.2</td>
<td>$25.3</td>
</tr>
<tr>
<td>Operating Expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>$6.3</td>
<td>$6.1</td>
<td>$8.4</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>2.6</td>
<td>2.5</td>
<td>2.8</td>
</tr>
<tr>
<td>Claims Paid</td>
<td>14.0</td>
<td>14.1</td>
<td>16.9</td>
</tr>
<tr>
<td>Supplies</td>
<td>1.4</td>
<td>1.3</td>
<td>1.4</td>
</tr>
<tr>
<td>Bad Debt</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Depreciation</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures:</strong></td>
<td>$24.8</td>
<td>$24.4</td>
<td>$30.0</td>
</tr>
<tr>
<td>Operating Income (Loss)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-$1.5</td>
<td>-$2.2</td>
<td>-$4.8</td>
<td></td>
</tr>
<tr>
<td>Non-Operating Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain (Loss) on disposal of capital asset</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Contributions</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Non-Operating Revenues:</strong></td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td>Capital Contributions</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Transfers-in</td>
<td>1.6</td>
<td>2.3</td>
<td>3.0</td>
</tr>
<tr>
<td>Changes in Net Position</td>
<td>0.1</td>
<td>0.1</td>
<td>-$1.8</td>
</tr>
<tr>
<td>Beginning Net Position as restated</td>
<td>$4.0</td>
<td>$3.7</td>
<td>$3.5</td>
</tr>
<tr>
<td>Ending Net Position</td>
<td>$4.1</td>
<td>$3.8</td>
<td>$1.8</td>
</tr>
</tbody>
</table>
REVENUES AND EXPENDITURES

Revenues

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

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

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

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

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

Expenditures

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

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

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

General Government decreased expenditures $821,492 from 2018. There is an explanation for this. In 2018 Cherokee County made an additional payment of $1.8M to fund the Defined Benefit Plan. This payment artificially increased 2018 expenses. No additional payment was made in 2019, so in effect, there was an increase of $1.0M in expenditures in 2019. This increase covered the 3% COLA that all employees received in 2019.
The Statement of Net Position is designed to provide readers with a broad overview of Cherokee County’s governmental and business-type activities, in a manner similar to a private sector business. This statement presents the difference between the County’s Assets and Deferred Outflows of Resources from Liabilities and Deferred Inflows of Resources as Net Position.

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

**DEFINITION OF KEY TERMS**

<table>
<thead>
<tr>
<th>Assets</th>
<th>Any resource owned by the County. May be tangible or intangible. Includes cash, investments, buildings, and roads.</th>
</tr>
</thead>
</table>
| Liabilities | Future spending of revenue as a result of past transactions and other past events. Liabilities are reported on a balance sheet and are divided into two categories:  
• Current liabilities: These liabilities are reasonably expected to be liquidated within a year.  
• Long-term liabilities: These liabilities are reasonably expected not to be liquidated within a year. |

| Deferred Outflow of Resources | A consumption of net assets by the government that is applicable to a future reporting period. An example of a deferred outflow is a grant paid in advance of meeting the timing requirement. |
| Deferred Inflow of Resources | An acquisition of net assets by the government that is applicable to a future reporting period. An example of a deferred inflow of resources are taxes received in advance of the period for which they are levied. |
| Net Position | Total assets minus total liabilities of either the County as a whole or for a specific fund (e.g. EMS and Conference Center). |
CAPITAL IMPROVEMENTS/6-YEAR CIP

$253 million SPLOST

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

In Millions

<table>
<thead>
<tr>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80.0</td>
<td>$60.0</td>
<td>$40.0</td>
</tr>
<tr>
<td>$60.0</td>
<td>$40.0</td>
<td>$20.0</td>
</tr>
<tr>
<td>$40.0</td>
<td>$20.0</td>
<td>$-</td>
</tr>
<tr>
<td>$32.2</td>
<td>$13.3</td>
<td>$59.5</td>
</tr>
</tbody>
</table>

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

Public Safety Projects

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

Public Works Projects

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

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

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

Parks and Parks Improvements

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

In Design
- LB Ahrens Recreation Center Phase 1

The Adult Detention Center Expansion Began

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

Public Safety Projects

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

Public Works Projects

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

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

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

Parks and Parks Improvements

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

In Design
- LB Ahrens Recreation Center Phase 1

The Adult Detention Center Expansion Began

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

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

Cherokee County
Board of Commissioners
Georgia

For its Annual Financial Report for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrell
Executive Director/CEO