

COMPREHENSIVE
2019

FORSYTH COUNTY ADMINISTRATION BUILDING

110
EAST MAIN ST

ANNUAL FINANCIAL REPORT



**PREPARED BY THE FORSYTH COUNTY FINANCE DEPARTMENT
FOR THE YEAR ENDED DECEMBER 31, 2019**

ANNUAL FINANCIAL REPORT

PREPARED BY THE FORSYTH COUNTY FINANCE DEPARTMENT
FOR THE YEAR ENDED DECEMBER 31, 2019



110 E. MAIN STREET, SUITE 255 • CUMMING, GA 30040

INTRODUCTORY SECTION



2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FORSYTH COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2019

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Forsyth County Board of Commissioners

July 16, 2020

LAURA SEMANSON
CHAIRMAN

CINDY JONES MILLS
VICE CHAIRMAN

MOLLY COOPER
SECRETARY

DENNIS T. BROWN
MEMBER

TODD LEVENT
MEMBER

ERIC R. JOHNSON
COUNTY MANAGER

TO THE CITIZENS OF FORSYTH COUNTY:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirements, we hereby issue the comprehensive annual financial report of Forsyth County, Georgia for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances of the county. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the county has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the county's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the county's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Mauldin & Jenkins, LLC, a firm of licensed certified public accountants, have audited the county's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the county for the fiscal year ended December 31, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Forsyth County, Georgia's financial statements for the fiscal year ended December 31, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

As a recipient of federal and state financial assistance, the county is also responsible for ensuring that adequate internal controls are in place to assure compliance with applicable laws and regulations related to those programs. Thus, internal controls are subject to periodic evaluation by management.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The county's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

Forsyth County is conveniently located 30 miles north of Atlanta in the foothills of the Appalachian Mountains next to Lake Lanier and the Chattahoochee River. The county was named for the Honorable John Forsyth, who had a long and distinguished public career as the Governor of Georgia, U.S. Representative, U.S. Senator, and Secretary of State under Presidents Jackson and Van Buren. Forsyth County is nestled alongside 200-miles of Lake Lanier shoreline, which serves as the major recreational and tourism site in the county. The county is bordered on the north by Dawson County, on the east by Hall and Gwinnett Counties, on the south by Fulton County (which contains the majority of the City of Atlanta), and on the west by Cherokee County.

The governing authority consists of a five-member Board of Commissioners. The Board of Commissioners is elected by voters each living within specific districts to serve four-year terms. Each year in January, the five members elect one of their own to serve as chairman for the coming year. Elections for the Board of Commissioners are staggered, so as to provide some continuity on the board. A County Manager is appointed by and responsible to the Board of Commissioners to direct the daily operations of Forsyth County government.

Services provided to approximately 244,252 Forsyth citizens residing in the 247 square mile area include: police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; recreational activities and cultural events. Water and Sewer services are provided through a legally separate Water and Sewer Authority, which functions, in essence, as a fund of the county and therefore has been included as an integral part of the county's financial statements. The county also is financially accountable for a legally separate Health Department, a legally separate Library, and a legally separate Public Facilities Authority, each of which are reported separately within the county's financial statements. Additional information on all four of these legally separate entities can be found in Note 1 in the notes of the financial statements.

The county adopts annual appropriated budgets for its General Fund, its Special Revenue Funds, and its Debt Service Funds using a basis of accounting consistent with generally accepted accounting principles. Adopted annual budgets are not legally required for any of the County's Proprietary Funds, Fiduciary Funds and Capital Project Funds; however, the county prepares annual operating budgets for its Proprietary Funds and the Capital Outlay Fund for planning, control, cost allocation, and evaluation purposes.

Departments and county offices prepare revenue and expenditure estimates, which are reviewed by the Finance Committee. The Chief Financial Officer prepares a proposed line item operating budget and submits it to the Board of Commissioners. Public Hearings are conducted in the county to obtain taxpayer comments on the proposed budget. The Board of Commissioners is required to adopt the final budget on or before December 31 at an official commission meeting. Budgetary control is maintained at the department/office appropriation level. Budget amendments must be authorized by the Board of Commissioners through a budget resolution. The County Manager is authorized to transfer certain line item budgeted amounts within any department, under certain conditions. Expenditures that would increase total department/office appropriations require the approval of the Board of Commissioners.

LOCAL ECONOMY

Lake Sidney Lanier is located at the eastern edge of Forsyth County, and provides numerous recreational activities for approximately 8 million visitors annually. The development of Lake Lanier by the U.S. Army Corps of Engineers functions to improve flood control and provide hydroelectric power, which gives it the distinction of being one of the most utilized water recreation areas managed by the Corp. In addition to Lake Lanier, the construction of GA 400 expressway has had the greatest effect on the growth of Forsyth County. GA 400 provides a direct link to the City of Atlanta.

The County's only incorporated municipality is the City of Cumming. The area is recognized for its moderate climate, attractive environment, recreational facilities and skilled labor pool. Forsyth County's economy, once largely centered on the poultry industry, has seen much change as these factors have helped the county attract growth from companies in diverse industries. This has provided an expanded commercial base for the county and is a strong indication of continued growth.

The U.S. Census Bureau has named Forsyth County as the 25th fastest growing county in the nation as well as the 9th fastest growing county in Georgia for 2018 estimating the county's population expanded by 3.2% between 2018 and 2019. In all, Forsyth added 7,640 new residents during that period. By 2040, Forsyth County's population is projected to increase by 82%. Forsyth County employs more than 118,737 within its boundaries with approximately 7,333 licensed businesses. Existing companies are continuing to expand within our community, serving as a large source for new jobs. As of December 2019, the county's unemployment rate was 2.2%, which is lower than the State of Georgia (3.1%) and the United States (3.5%).

Due to its proximity to Atlanta, Forsyth County continues to provide a vibrant community complete with a thriving economy and a school system known for its excellence. In September 2010, America's Promise Alliance announced Forsyth County as one of the "100 Best Communities for Young People".

- The county was originally dominated by the poultry, horse and farming industries, and two industry giants Tyson Foods and Koch Foods still play a major role in the area's economy. Over the past 10 years over 70 international companies have moved to the county, with 20 having national or regional headquarters. The medical and life science industries remain the county's fastest growing industry sectors. Northside Hospital-Forsyth is ranked the number two employer in the county.
- The new University of North Georgia Cumming campus, which opened in fall 2012, is meeting the need for higher education in the northeast Georgia region. Located off Georgia Highway 400 at Pilgrim Mill Road [exit 16], the new instructional center offers a range of two and four year undergraduate programs, graduate programs and professional development opportunities.
- The Forsyth County School system, serving approximately 51,000 students, is the seventh largest school system in Georgia, operating 39 schools within the county. The public-school system is Forsyth County's largest employer with over 6,000 staff members. Classrooms are technologically advanced, as the school system places a heavy emphasis on being on the cutting edge of new technology and methods of teaching.

Major Initiatives & Accomplishments

- In November 2019, Forsyth County received its initial bond rating of AAA with a stable outlook from Fitch Ratings. The County now retains the highest rating available with three rating firms including Moody's and Standard and Poor's., each of whom reaffirmed the rating on the county's latest Water & Sewer bond issue in November 2019. Having a high rating allows the County to enjoy lower interest rates when borrowing and realize monetary savings on bonds.
- Forsyth County Parks & Recreation Department received the Georgia Recreation and Park Association (GRPA) Agency of the Year Award. The award was presented in the largest population category – 150,000 and over. As cited in the nomination, the department has earned national accreditation status from the Commission for Accreditation of Park and Recreation Agencies. It is one of only 166 agencies nationally to hold the recognition and the second county in Georgia to gain the accreditation.
- On November 6, 2018, Forsyth County voters approved continuation of the one-percent Special Purpose Local Option Sales Tax (SPLOST) program. Collections began on July 1, 2019 and continues for six years. County projects to be funded from SPLOST VIII include road projects, fire department facilities and equipment, park projects, senior services facility, and animal services projects.

Improved Service Delivery

- The Forsyth County Fire Department received an improved rating – from a 5 to a 3 – from the Insurance Services Office (ISO) in 2015, resulting in potential insurance savings for residents and businesses.
- Construction is underway on the new fire station #11 on Pittman Road. The planned opening in 2020 of the station on this new site in the western portion of the county will bring the total coverage to 14 stations providing fire, rescue, and EMS protection for the public.
- In 2019, there were more than 716,971 visits to Forsyth County Public Library branches, more than 2.8 million items checked out, more than 89,000 information questions answered by staff, and more than 117,877 patrons attending library programs.
- Three important connecting county roads were widened from 2 to 4 lanes in 2019. Union Hill Road, 1.8 miles from GA 400 to McFarland Parkway, opened in September; Sharon Road, 1.2 miles from Old Atlanta Road to SR 141, opened in October, and Brookwood Road, 1.1 miles from SR 141 to McGinnis Ferry Road,

opened in September. In addition, a number intersection improvement and sidewalk/bike path projects can be seen around the county.

- For training and safety, the Fire Department in 2019 replaced the burn building that was shut down in October 2018 after 18 years of service. The new Scottsdale System provides for safe live-fire training with altered fire behaviors from basic to advanced. In addition, the department has added a Flashover Simulator for observation and recognition of fire behavior. The simulator will be used for higher temperature burns for fire behavior training.
- The county's Geographical Information System [GIS] launched a new digital map in July with updated information and status updates on zoning applications, permits variances and other properties with proposed action. The county's GIS is now more user friendly across mobile, tablet or desktop devices.

Parks, Recreation and Green Space Bond Dollars at Work

- The last 2 natural turf playing fields at Fowler Park were converted into synthetic turf fields. The new surface provides for efficient, year-round, all weather play for soccer, lacrosse, and ultimate frisbee action. This brings the number of synthetic turf fields to 28 of the total 33 rectangular fields in the county.
- The county's second disc golf course opened to the public on March 17 at Chattahoochee Pointe Park. The new disc golf course is situated in a natural setting along the Chattahoochee River and features 18 holes with two sets of tees as well as multiple basket-setting options.
- The county began construction on Phase 5 of the Big Creek Greenway which takes the trail to Sawnee Mountain.

LONG – TERM FINANCIAL PLANNING

Forsyth County's Department of Planning and Community Development worked with the various county offices and departments to complete the annual update of the Community Work Program (CWP) of the Comprehensive Plan. The CWP provides a year by year listing, over the next five-year period, of capital improvements needed for continued, effective service delivery for the citizens of this growing County. Portions of the annual CWP addendum became the Schedule of Improvements for the 2018 Annual Update of the Impact Fee Program adopted by the Commission in October 2019. These plans provide a framework for addressing the financing of those capital needs.

Forsyth County strives to improve its financial position for the longer term. As a result of conservative budgeting, continuous financial monitoring, and budget cuts, the unassigned fund balance in the general fund (44% of total 2019 adopted general fund budget) exceeds the policy guidelines set by the Board of Commissioners for budgetary and planning purposes. The county also prepares the annual budget with the following years always in view.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officer Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Forsyth County, Georgia for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. This was the seventeenth consecutive year the county has received this prestigious award. This award honors an easily readable, efficiently organized, Comprehensive Annual Financial Report (CAFR) that conforms to program standards and satisfies both GAAP and applicable legal requirements.

The Citizens of Forsyth County
2019 Comprehensive Annual Financial Report
July 16, 2020

The Government Finance Officer Association (GFOA) awarded the Distinguished Budget Presentation Award to Forsyth County, Georgia for its annual budget for the fiscal year beginning January 1, 2019. This was the seventh year the county has received this prestigious award. This award is the highest form of recognition in governmental budgeting. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The preparation, design and publication of this year's Comprehensive Annual Financial Report would not have been possible without the continuous commitment of the Finance Department staff throughout the year. Sincere appreciation also goes to the various county departments and offices for their assistance and enthusiasm throughout the year in matters pertaining to the financial affairs of the county. We also thank the accounting firm of Mauldin & Jenkins, LLC for their contributions of technical guidance and dedication to the highest professional standards of governmental accounting. Finally, we thank the Board of Commissioners for their support and direction in conducting the financial affairs of the county in a responsible manner.

Respectfully submitted,



Eric R. Johnson
County Manager



David Gruen
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Forsyth County
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

Officials of Forsyth County



MOLLY COOPER
Secretary • District 1



DENNIS T. BROWN
Member • District 2



TODD LEVENT
Member • District 3



CINDY JONES MILLS
Vice Chariman • District 4



LAURA SEMANSON
Chariman • District 5

2019 Board of Commissioners



Eric Johnson
County Manager

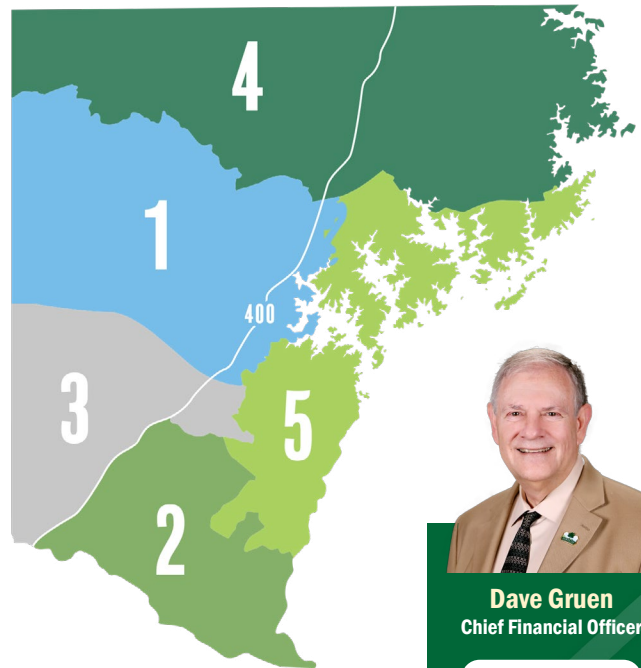


Tim Merritt
Deputy County Manager

Administration

County Department Heads

- Cynthia Iacopella** Animal Shelter
- Mary Kirkpatrick** Board of Assessors
- Steve Zaring** Code Enforcement
- Karen Shields** Communications
- Chris Grimes** 911 Center/EMA
- John Cunard** Engineering
- Rebecca Whitmire** Finance
- Barry Head** Fire Department
- Avery Gravitt** Fleet Services
- John Kilgore** Geographic Information Services
- Connie Brooker** Indigent Defense
- Brandon Kenney** Information Systems & Technology
- Anna Lyle** Library
- Jim Pryor** Parks & Recreation
- Pat Carson** Personnel Services
- Tom Brown** Planning & Community Development
- Donna Kukarola** Procurement
- Dan Callahan** Public Facilities
- Charity Clark** Risk Management
- Ruthie Brew** Senior Services
- Tammy Wright** Recycling & Solid Waste
- Mandi Smith** Voter Registrations & Elections
- Tim Perkins** Water & Sewer
- Amy Konrath** Business Licensing



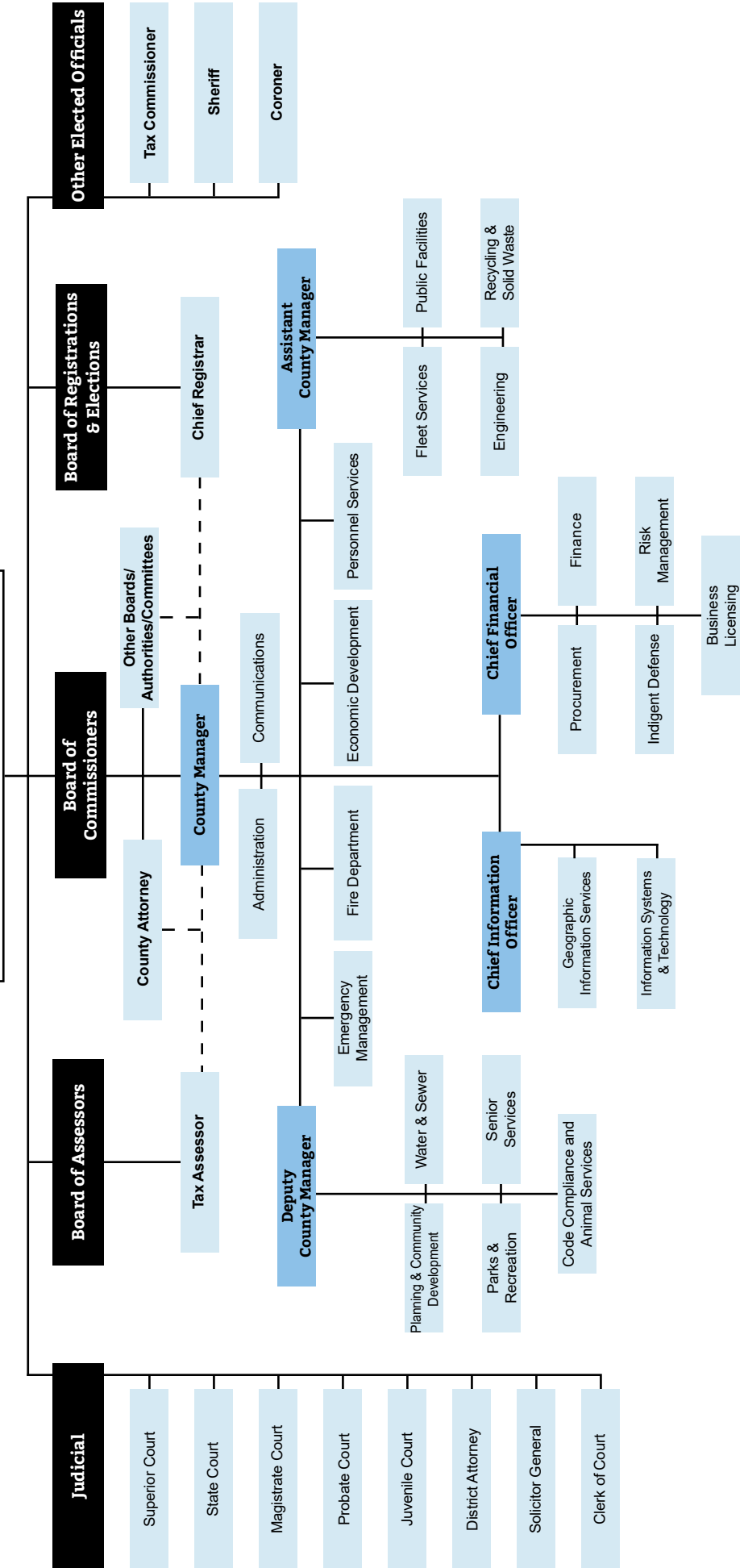
Dave Gruen
Chief Financial Officer

Finance

Judicial and Other Elected Officials

- Jeffrey S. Bagley** Superior Court Chief Judge
- David L. Dickinson** Superior Court Judge
- Philip C. Smith** Superior Court Judge
- T. Russell McClelland** State Court Chief Judge
- Leslie C. Abernathy-Maddox** State Court Judge
- Walker H. Bramblett** Chief Magistrate Judge
- Lynwood D. Jordan Jr.** Probate Court Judge
- J. Russell Jackson** Juvenile Court Judge
- Christopher W. Willis** Presiding Juvenile Court Judge
- Penny Penn** District Attorney
- William A. Finch** Solicitor-General
- Greg G. Allen** Clerk of Court
- Matthew C. Ledbetter** Tax Commissioner
- Lauren McDonald III** Coroner
- Ron Freeman** Sheriff

Citizens of Forsyth County



FINANCIAL SECTION



2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT



INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Forsyth County, Georgia
Cumming, 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 **Forsyth County, Georgia** (the "County"), as of and for the year ended December 31, 2019, 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

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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Forsyth County Health Department, which represents 9 percent, 21 percent, and 20 percent, respectively, of the assets, overall deficit net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Forsyth County Health Department, 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 from 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 Forsyth County, Georgia as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 16, Forsyth County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of January 1, 2019. This standard significantly changed the accounting for Forsyth County's activities previously reported as agency funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 16), the budgetary comparison information for the General Fund and the Fire District Fund (on pages 77 through 79), the schedule of changes in the County's total OPEB liability and related ratios, the schedule of changes in the County's net pension liability and related ratios, the schedule of County contributions, and the schedule of pension investment returns (on pages 80 through 83) 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 fund financial statements and schedules, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, schedule of expenditures of federal awards, and schedule of expenditures of special purpose local option sales tax proceeds (collectively “the supplementary information”) 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 supplementary information is 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 July 16, 2020, 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 solely 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 the effectiveness of the County’s 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
July 16, 2020

MANAGEMENT’S DISCUSSION AND ANALYSIS

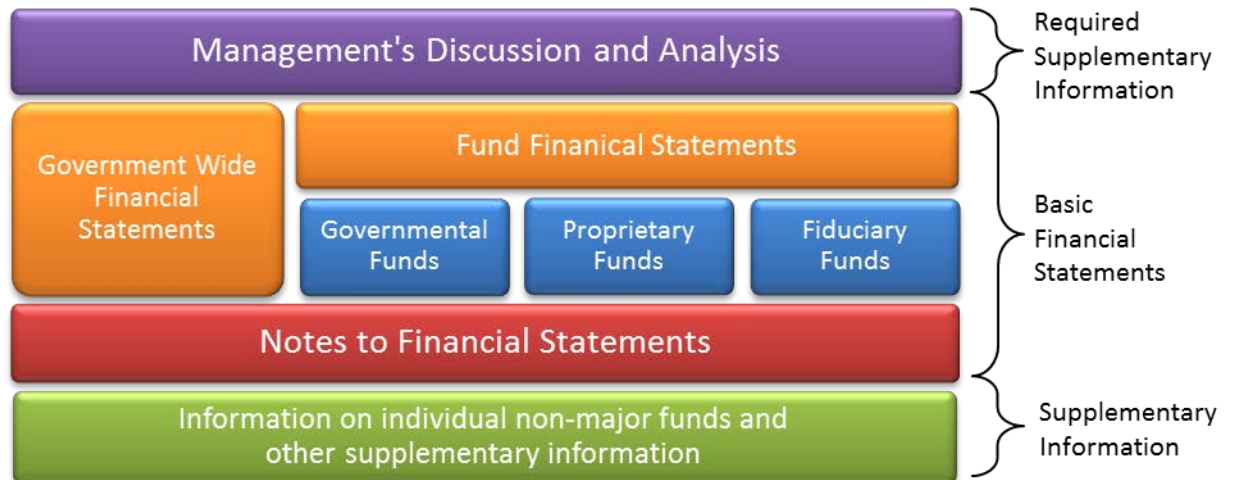
Our discussion and analysis of Forsyth County’s financial performance provides an overview of the County’s financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the transmittal letter on page v and the County’s financial statements, which begins on page 17.

GOVERNMENT – WIDE FINANCIAL HIGHLIGHTS

- Forsyth County’s primary government assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$1.75 billion (net position) at December 31, 2019. Of this amount \$1.20 billion is governmental activities and \$548.45 million is business-type activities.
- The combined revenue total for the County is \$359.1 million, a 6.62% increase from 2018. Of the combined total governmental activities is \$270.6 million and business-type activities is \$88.5 million.
- The combined expense total for the County is \$282.2 million, a 12.64% increase from 2018. Of the combined total governmental activities is at \$218.3 million and business-type activities is \$63.9 million.
- At December 31, 2019, the County’s governmental funds reported combined ending fund balance is \$311.5 million, an increase of \$91.1 million (41.33%) from the 2018 fund balance. The unassigned fund balance for various governmental funds is \$60.1 million.
- The County’s total debt increased by \$168.7 million (45.16%) from fiscal year 2018, primarily due to the County issuing new bonds for road construction and Water & Sewer projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Forsyth County’s basic financial statements. Forsyth 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. The illustration below demonstrates the format.



Government-wide Financial Statements. The government-wide financial statements, presented on pages 17 and 18, provide a broad overview of Forsyth County finances in a manner similar to that of private-sector businesses. The statements include:

- *Statement of net position* presents the County’s assets and liabilities, with the difference between the two reported as net position. Over time, the change in net position is an indicator of the improvement (an increase) or deterioration (a decrease) in the County’s financial condition.
- *Statement of activities* presents the revenues and expenses of the County. The difference between these is the change in net position for the year.

Both of the government-wide financial statements identify the various functions of Forsyth County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Forsyth County, Georgia include general government, culture and recreation, judicial, public works, health and welfare, housing and development, and public safety. The business-type activities of Forsyth County, Georgia include the Water and Sewer Authority and Solid Waste operation.

The government-wide financial statements include not only Forsyth County, Georgia itself (known as the primary government), but also a legally separate Health Department, Library, and Public Facilities Authority for which Forsyth County, Georgia is financially accountable. Financial information for these component units is reported separately from financial information presented for the primary government itself. The Water and Sewer Authority, although also legally separate functions for all practical purposes as a department of Forsyth County, Georgia, and therefore has been included as an integral part of the primary government.

Fund financial statements. A fiscal accountability fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide 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 County'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.

At December 31, 2019, the County maintains eighteen 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 general fund, fire fund, SPLOST fund, and transportation bond fund, all of which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General fund, special revenue funds, one capital projects fund and debt service funds. Project length budgets are adopted for capital project funds. Annual operating budgets are prepared for each enterprise and internal service fund for planning control and cost allocation. A budgetary comparison schedule has been provided for the general fund, special revenue funds, and debt service funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 19-21 of this report.

Proprietary funds. The County maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water and Sewer Authority and Solid Waste operation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. For 2019, the County used internal service funds to account for risk management, workers' compensation, employee health benefits and fleet maintenance. Because 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 information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Authority and for the Solid Waste operation, both of which are considered to be major funds of the County. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 22-24 of this report.

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 statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Forsyth County maintains six fiduciary funds called *custodial funds* for Tax Commissioner, Sheriff, Clerk of Court, Probate Court, Magistrate Court, and Juvenile Court. The County also maintains the Pension Trust Fund fiduciary fund.

The basic fiduciary fund financial statements can be found on page 25 and 26 of this report.

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. The notes to the financial statements can be found on pages 27-76 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's schedule of budgetary comparisons, progress in funding its obligation to provide pension benefits to its employees, and employer pension contributions. Combining and individual fund statements and schedules can be found on pages 84-104 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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 Forsyth County, Georgia, assets exceeded liabilities by \$1.75 billion at the close of the most recent fiscal year. This is an increase of \$76.9 million or 4.4% from fiscal year 2018.

FORSYTH COUNTY, GEORGIA'S NET POSITION

December 31, 2019

(\$ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2019	2018	2019	2018	2019	2018
ASSETS						
Current and other assets	\$ 443,269	\$ 340,491	\$ 165,384	\$ 103,595	\$ 608,653	\$ 444,086
Capital assets (net of	<u>1,171,855</u>	<u>1,126,327</u>	<u>705,430</u>	<u>659,995</u>	<u>1,877,285</u>	<u>1,786,322</u>
TOTAL ASSETS	<u>1,615,124</u>	<u>1,466,818</u>	<u>870,814</u>	<u>763,590</u>	<u>2,485,938</u>	<u>2,230,408</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>9,258</u>	<u>10,894</u>	<u>4,144</u>	<u>5,974</u>	<u>13,402</u>	<u>16,868</u>
LIABILITIES						
Other liabilities	19,406	16,427	46,797	48,960	66,203	65,387
Long-term liabilities outstanding	<u>302,438</u>	<u>221,072</u>	<u>279,713</u>	<u>195,423</u>	<u>582,151</u>	<u>416,495</u>
TOTAL LIABILITIES	<u>321,844</u>	<u>237,499</u>	<u>326,510</u>	<u>244,383</u>	<u>648,354</u>	<u>481,882</u>
DEFERRED INFLOWS OF RESOURCES	<u>103,922</u>	<u>94,698</u>	<u>-</u>	<u>-</u>	<u>103,922</u>	<u>94,698</u>
NET POSITION						
Net investment in capital assets	1,014,384	985,786	541,437	471,770	1,555,821	1,457,556
Restricted	110,816	92,424	4,483	4,323	115,299	96,747
Unrestricted	<u>73,416</u>	<u>67,305</u>	<u>2,528</u>	<u>48,538</u>	<u>75,944</u>	<u>115,843</u>
TOTAL NET POSITION	<u>\$1,198,616</u>	<u>\$1,145,515</u>	<u>\$ 548,448</u>	<u>\$ 524,631</u>	<u>\$ 1,747,064</u>	<u>\$ 1,670,146</u>

Source: Statement of Net Position

The largest component of the County's net position, \$1.56 billion (89.05%) at December 31, 2019, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the 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 are not planned to be used to liquidate these liabilities.

The next component of the County's net position consists of restricted net position, \$115.3 million (6.60%), which represents resources that are subject to external restrictions on how they may be used. The final component is unrestricted net position, \$75.9 million (4.35%), may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Forsyth County's net position in governmental activities increased by \$53.1 million (4.43%), due in part to an overall increase in revenues, an increase in capital assets and generally by keeping the total expenditures below the level of revenue collections. Net position in business-type activities increased by \$23.8 million (4.34%). The County's overall net position increased indicating that the County's financial position has continued to grow along with the increases in its population and economy.

Changes in Net Position. Governmental and business-type activities increased the County's net position by \$76.9 million by the end December 31, 2019.

The following table gives a comparison for the changes in net position in governmental and business type activities for fiscal year 2018 and 2019.

FORSYTH COUNTY, GEORGIA'S CHANGES IN NET POSITION

December 31, 2019

(\$ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues:						
Charges for services	\$ 40,851	\$ 42,369	\$ 56,219	\$ 49,312	\$ 97,070	\$ 91,681
Operating grants and contributions	2,504	2,036			2,504	2,036
Capital grants and contributions	12,617	10,782	30,233	29,573	42,850	40,355
General Revenues:						
Property taxes	98,761	93,248	-	-	98,761	93,248
Sales taxes	77,490	74,446	-	-	77,490	74,446
Title ad valorem tax	14,252	10,771	-	-	14,252	10,771
Insurance premium tax	11,754	10,969	-	-	11,754	10,969
Other taxes	5,171	5,045	-	-	5,171	5,045
Unrestricted investment earnings	5,469	4,021	1,566	1,897	7,035	5,918
Intergovernmental revenue, not restricted for a specific programs			421	32	421	32
Other	<u>1,758</u>	<u>1,559</u>	<u>11</u>	<u>719</u>	<u>1,769</u>	<u>2,278</u>
TOTAL REVENUES	<u>\$ 270,627</u>	<u>\$ 255,246</u>	<u>\$ 88,450</u>	<u>\$ 81,533</u>	<u>\$ 359,077</u>	<u>\$ 336,779</u>
EXPENSES						
General Government	42,014	37,230	-	-	42,014	37,230
Judicial	15,996	15,201	-	-	15,996	15,201
Public Safety	86,485	81,256	-	-	86,485	81,256
Public Works	33,296	27,178	-	-	33,296	27,178
Health and Welfare	3,484	3,473	-	-	3,484	3,473
Culture and Recreation	21,654	20,524	-	-	21,654	20,524
Housing and Development	7,938	7,481	-	-	7,938	7,481
Interest	7,409	5,678	-	-	7,409	5,678
Solid Waste Disposal Facility	-	-	1,698	1,354	1,698	1,354
Water and Sewer	-	-	62,185	51,122	62,185	51,122
TOTAL EXPENSES	<u>218,276</u>	<u>198,021</u>	<u>63,883</u>	<u>52,476</u>	<u>282,159</u>	<u>250,497</u>
Increase in net position before transfers	52,351	57,225	24,567	29,057	76,918	86,282
Transfers	<u>750</u>	<u>750</u>	<u>(750)</u>	<u>(750)</u>	-	-
Increase in net position	53,101	57,975	23,817	28,307	76,918	86,282
Net position, beginning of year	<u>1,145,515</u>	<u>1,087,540</u>	<u>524,631</u>	<u>496,324</u>	<u>1,670,146</u>	<u>1,583,864</u>
Prior Period Adjustments					-	-
Net position, end of year	<u>\$ 1,198,616</u>	<u>\$ 1,145,515</u>	<u>\$ 548,448</u>	<u>\$ 524,631</u>	<u>\$ 1,747,064</u>	<u>\$ 1,670,146</u>

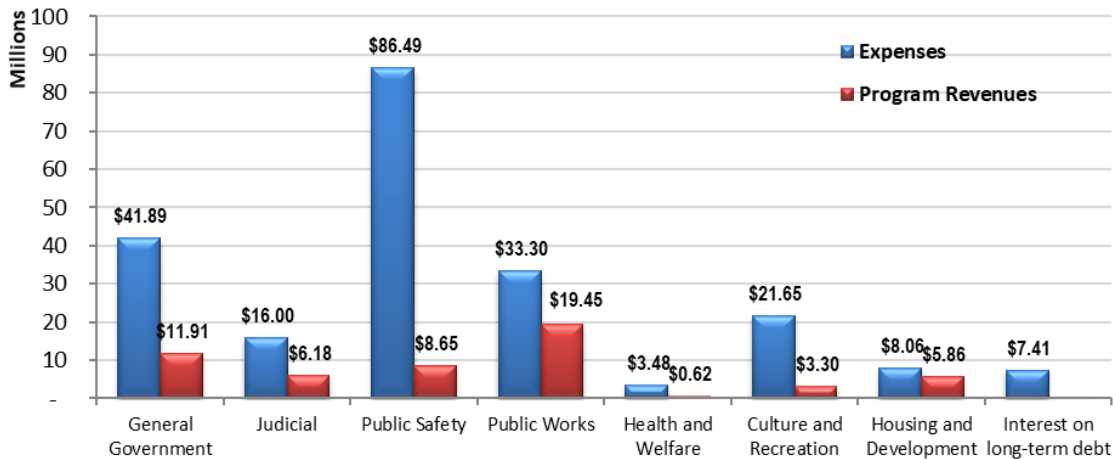
Source: Statement of Activities

Governmental Activities. Governmental activities increased the County’s net position by \$53.1 million thereby accounting for 69.04% of the total growth in net position. Key elements of this increase are as follows:

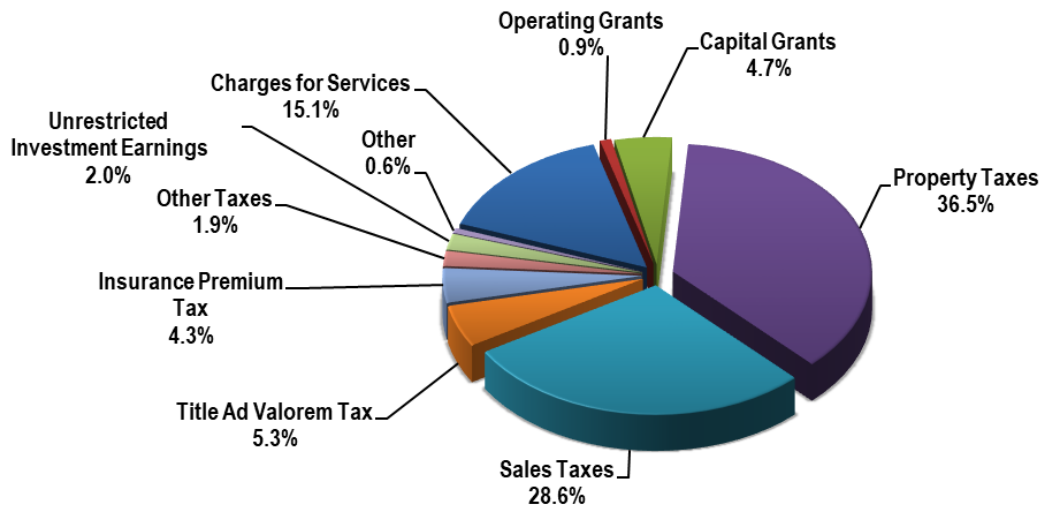
- The County’s governmental activities relied on the following revenue sources in 2019: \$40.9 million in charges for services, \$15.1 million for grants and contributions, \$207.4 million in taxes, \$5.5 million in investment earnings and \$1.7 million in other revenue. Total program and general revenue for 2019 is \$270.6 million.
- Total revenues for governmental activities increased by \$15.4 million or 6.03% from fiscal year 2018. Property taxes totaling \$98.8 million is the largest revenue source for the County. Operating grants and contributions increased by \$0.5 million, while capital grants and contributions increased by \$1.8 million. Sales tax revenues combined with the Title Ad Valorem Tax increased by \$6.5 million. The TAVT was passed by the state legislature to replace the sales tax on new vehicles and the annual property tax on tag renewals.
- Expenses for 2019 increased by \$20.3 million or 10.23% from 2018. The largest increase was \$6.1 million in public works primarily related to road project expenses.

The charts below illustrate expenses vs. program revenues by category and the distribution of revenues for governmental activities.

EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL ACTIVITIES



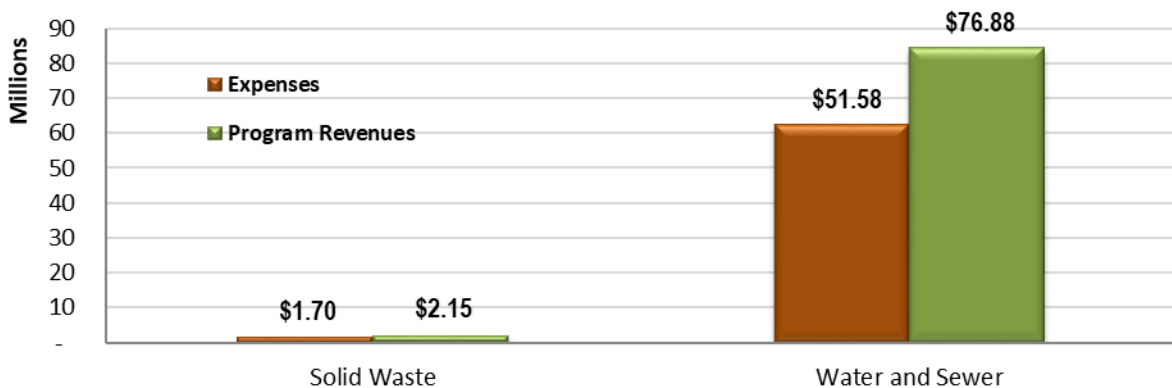
REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES



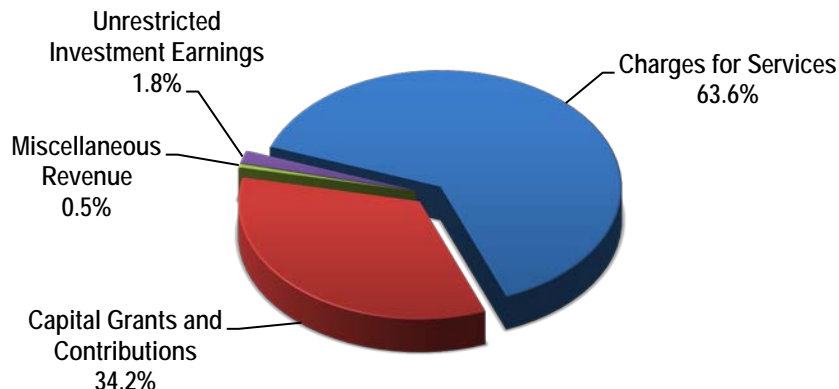
Business-type activities. Business-type activities increased the County’s net position by \$23.8 million, accounting for 30.96% of the total growth in net position. A key element of this increase is Water and Sewer Authority capital contributions of \$30.2 million, which includes developers’ system contributions.

The charts below illustrate expenses vs. program revenues by category and the distribution of revenues for business-type activities.

EXPENSES AND PROGRAM REVENUES - BUSINESS-TYPE ACTIVITIES



REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County’s governmental funds is to provide information on near-term inflows and outflows of spendable resources. Such information is useful in evaluating a government’s near-term financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

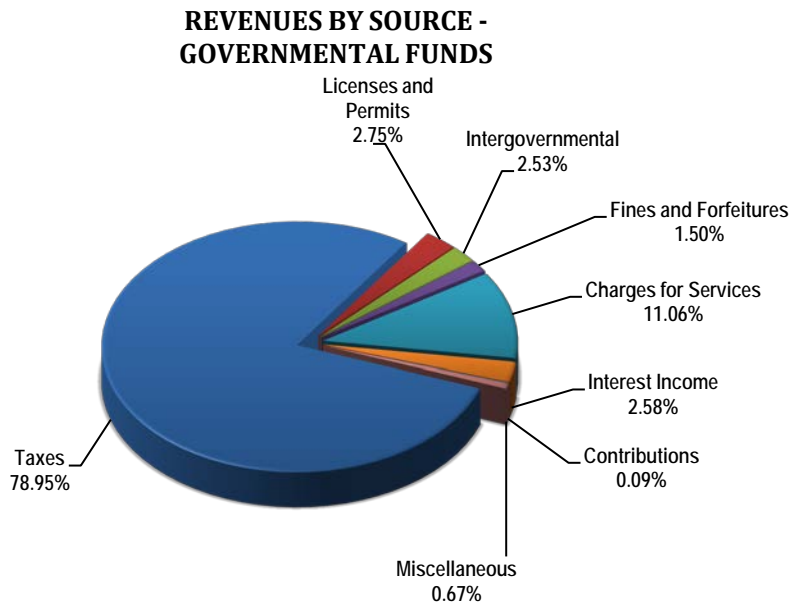
**GOVERNMENTAL FUNDS
CHANGES TO FUND BALANCE**
(\$ in thousands)

	2019	2018	Inc/Dec	% Inc/Dec
General Fund	\$ 61,509	\$ 56,998	\$ 4,511	7.91%
Fire District	7,644	7,252	392	5.41%
SPLOST	155,747	39,830	115,917	291.03%
Transportation Bond Fund	500	35,920	(35,420)	-98.61%
Nonmajor Governmental Funds	<u>86,126</u>	<u>80,425</u>	<u>5,701</u>	7.09%
Fund Balance	<u>\$ 311,526</u>	<u>\$ 220,425</u>	<u>\$ 91,101</u>	41.33%

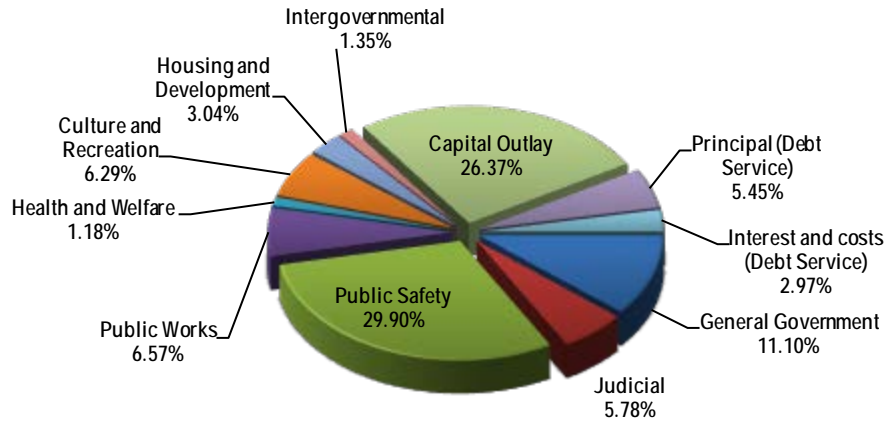
Source: Statement of Revenues, Expenditures and Changes to Fund Balances

At the end of the current fiscal year, the County’s governmental funds reported combined ending fund balances of \$311.5 million, an increase of \$91.1 million in comparison with the fund balance for 2018. Approximately 19.3% of this total amount, \$60.1 million, constitutes unassigned which is available for spending at the government’s discretion. The remainder of fund balance is non-spendable, restricted and assigned to indicate that it is not available for new spending because it has been restricted by state law for specific projects, to liquidate contracts and purchase orders of the prior period, to pay debt service, and for a variety of other purposes.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance was \$60.5 million, which represents 98.4% of total general fund balance. The fund balance increased by \$4.5 million during the current fiscal year. This is due to an increase in the sales tax and Title Ad Valorem Tax collections.



EXPENDITURES BY FUNCTION - GOVERNMENTAL FUNDS



The fund balance of the County’s fire fund increased by \$0.4 million during the current fiscal year. This increase is due to the increase in tax collections from growth in the property tax digest staying ahead of the increase in operating costs.

The fund balance of the County’s SPLOST fund increased by \$115.9 million during the current fiscal year. This is due to issuing approximately \$100 million in voter authorized bonds for transportation projects.

The fund balance of the County’s transportation bond fund decreased by \$35.4 million during the current fiscal year. The decrease is due to the ongoing road project expenditures that are funded by the original bond proceeds in this fund.

Proprietary funds. The County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total operating revenues for the Water and Sewer Authority was \$54.1 million, an increase of \$6.8 million from 2018. This is due to an increase in water and sewer sales revenues. The department’s water customer count grew by 1,248, or 2.02%, new connections to a year-end total of 62,880 and sewer customer count increased by 1,175, or 3.61%, to a year-end total of 33,708. Total operating expenses were \$52.3 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Forsyth County’s government-wide investment in capital assets before debt at December 31, 2019 is \$1.877 billion. This investment in capital assets includes land, buildings, improvements, roads, bridges, machinery and equipment, park facilities and vehicles. Government-wide net additions in 2019 are \$91.5 million with \$45.5 million in government-type activities and \$46.0 million net increase in business-type activities. Net investment in capital assets is \$1,555.8 billion with \$1,014.4 billion for governmental activities and \$541.4 million for business-type activities. This is a 6.32% increase from the previous fiscal year.

FORSYTH COUNTY, GEORGIA'S CAPITAL ASSETS

(in the thousands)

	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES		ACTIVITIES			
	2019	2018	2019	2018	2019	2018
Land and improvements	\$ 478,230	\$ 463,643	\$ 30,529	\$ 30,535	\$ 508,759	\$ 494,178
Infrastructure land improvements	170,469	170,045	-	-	170,469	170,045
Construction in progress	39,087	41,424	91,145	96,660	130,232	138,084
Buildings and improvements	213,498	218,112	58,431	59,754	271,929	277,866
Machinery and equipment	22,750	21,939	3,302	3,084	26,052	25,023
Vehicles	13,004	10,925	2,249	1,280	15,253	12,205
Sewer Capacity Rights	-	-	11,658	12,749	11,658	12,749
Infrastructure	234,817	200,239	508,116	455,388	742,933	655,627
Total	<u>\$1,171,855</u>	<u>\$1,126,327</u>	<u>\$ 705,430</u>	<u>\$ 659,450</u>	<u>\$ 1,877,285</u>	<u>\$ 1,785,777</u>
Total Increase	\$ 91,508					
Total % Increase	5.12%					

Major capital asset activities in the current fiscal year include the following:

- The last 2 natural turf playing fields at Fowler Park were converted into synthetic turf fields. The new surface provides for efficient, year-round, all weather play for soccer, lacrosse, and ultimate frisbee action. This brings the number of synthetic turf fields to 28 of the total 33 rectangular fields in the county.
- For training and safety, the Fire Department in 2019 replaced the burn building that was shut down in October 2018 after 18 years of service. The new Scottdale System provides for safe live-fire training with altered fire behaviors from basic to advanced. In addition, the department has added a Flashover Simulator for observation and recognition of fire behavior. The simulator will be used for higher temperature burns for fire behavior training.
- The county's second disc golf course opened to the public on March 17 at Chattahoochee Pointe Park. The new disc golf course is situated in a natural setting along the Chattahoochee River and features 18 holes with two sets of tees as well as multiple basket-setting options.
- Ground was broken on August 6 for the Fire Department's newest facility, fire station #11 on Pittman Road. The planned opening in 2020 of the 12,000 square foot four-stall station on this new site in the western portion of the county will bring the total coverage to 14 stations providing fire, rescue, and EMS protection for the public.
- Three important connecting county roads were widened from 2 to 4 lanes in 2019. Union Hill Road, 1.8 miles from GA 400 to McFarland Parkway, opened in September; Sharon Road, 1.2 miles from Old Atlanta Road to SR 141, opened in October, and Brookwood Road, 1.1 miles from SR 141 to McGinnis Ferry Road, opened in September. In addition, a number intersection improvement and sidewalk/bike path projects can be seen around the county.
- In early December, a memorial recognizing all U.S. service member veterans was unveiled next to the county courthouse steps. The memorial includes a statue of a WWII era American soldier offering food to two children in war-torn Europe.
- The county's Geographical Information System [GIS] launched a new digital map in July with updated information and status updates on zoning applications, permits variances and other properties with proposed action. The county's GIS is now more user friendly across mobile, tablet or desktop devices.

Additional information on the County's capital assets can be found in Note 6, on pages 48-50.

Long Term Debt. At the end of the current fiscal year, the County has total bonded debt outstanding in the amount of \$542.3 million. Of this amount \$270.2 million consists of general obligation bonds backed by the full faith and credit of the government and \$272.1 million represents bonds secured by specified revenue sources (i.e., revenue bonds). The County’s total debt increased by \$168.7 million primarily due to the County’s issuing new bonds for road construction projects and Water & Sewer projects.

The County improved on it’s already exceptionally positive credit rating in the current fiscal year with Moody’s (Aaa) and Standard & Poor’s (AAA) for the Water and Sewer Revenue Bonds and the General Obligation (GO) bonds by adding a third AAA rating with the Fitch rating agency.

Additional information on the County’s long-term debt can be found in Note 8, pages 52-62.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, the final budget and actual results for the County’s general fund by category are shown below and on pages 77 and 78.

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
General Government	\$ 34,934,548	\$ 34,969,816	\$ 29,797,375	\$ 5,172,441
Judicial	15,324,766	15,698,900	14,503,368	1,195,532
Public Safety	50,836,438	51,843,980	50,358,222	1,485,758
Public Works	155,733	432,444	431,568	876
Health and Welfare	2,109,457	2,283,624	2,087,288	196,336
Culture and Recreation	16,858,949	16,936,438	16,725,592	210,846
Housing and Development	8,045,256	8,928,849	7,570,210	1,358,639
Total Expenditures	\$ 128,265,147 ¹	\$ 131,094,051 ²	\$ 121,473,623	\$ 9,620,428

(1) The adopted original General Fund expenditure budget included transfers to other funds (\$9,673,241) which are not shown on this chart.

(2) The adopted final General Fund expenditure budget included transfers to other funds (\$20,160,539) which are not shown on this chart.

During the current fiscal year, the County made several budget adjustments to the general fund that are reflected in the final budget. Projected revenues of \$135.5 million in the original budget increased to \$136.4 million at year end, due to an increase in sales tax and title ad valorem taxes of \$0.9 million. Total revenues ended at \$143.5 million, \$7.1 million above the final budget. The original adopted expenditure budget of \$128.3 million was amended to \$130.9 million.

However, by year end actual expenditures for the general fund were \$121.5 million, \$9.4 million below the final amended budget. Significant variances to the final budget and actual are summarized below:

- General Government \$5.1 million under final budget due to significant savings on facilities costs, lower technology costs than expected, and the remaining balance available in budgeted reserves.
- Public Safety \$1.5 million under final budget due to final costs in the County Sheriff’s office ending significantly under budget.
- Judicial \$1.2 million under final budget due to the total juvenile court, state court solicitor, and court clerk’s costs.

Forsyth County’s general fund 2019 final budget is \$130.9 million, an increase of 7.0% from the 2018 budget.

ECONOMIC FACTORS AND THE 2019 BUDGET

Forsyth County's 2020 budget is a reflection of the financial position of the County in 2019. During 2019, the County experienced an increase in revenues and amended the revenue and expenditure budgets accordingly.

- The unemployment rate in Forsyth County is 2.5%, down 0.6% from 2018. This compares favorably to the State of Georgia's unemployment rate at 3.1%, and the national unemployment rate of 3.5% at the end of 2019.
- LOST and SPLOST revenues increased by \$3.1 million, a 4.2% increase from fiscal year 2018. An increase is also projected for the 2020 Budget. The County continues to monitor collections on a monthly basis.
- The County's total 2019 millage rate for Maintenance and Operations, Fire and Debt Service was the same at 7.936 mills. Within that total millage was a reduction in the Bond millage rate from 1.319 to 0.970 mills, down 26.5%, along with offsetting increases to the M & O rate of 3.2% and the Fire rate at 10.1%. The 2020 budget process focused on balancing the budget while not increasing the tax rates.
- Forsyth County continues to implement cost-saving measures as all departments and offices throughout the county monitor their budgets and processes for additional efficiencies.

All of these factors were taken into consideration and implemented when preparing the County's budget for fiscal year 2020.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Forsyth County's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County's Finance Department at 110 E Main St. Suite 255, Cumming, GA 30040.

FORSYTH COUNTY, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2019

ASSETS	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Health Department	Library System	Public Facilities Authority
Cash and cash equivalents	\$ 252,063,704	\$ 41,160,876	\$ 293,224,580	\$ 2,250,332	\$ 1,867,665	\$ -
Investments	60,171,417	-	60,171,417	506,044	-	-
Receivables (net of allowance for uncollectibles)	3,272,674	5,822,412	9,095,086	69,715	60,660	-
Taxes receivable	7,823,239	-	7,823,239	-	-	-
Intergovernmental receivables	4,670,663	-	4,670,663	-	14,502	22,053,104
Prepaid items	648,966	48,831	697,797	-	147,535	-
Inventories	917,450	1,239,593	2,157,043	-	-	-
Internal balances	(1,050,952)	1,050,952	-	-	-	-
Other assets	1,937,125	-	1,937,125	-	-	-
Restricted assets:						
Restricted cash and cash equivalents	105,942,027	116,002,812	221,944,839	-	-	-
Investments	6,872,373	-	6,872,373	-	-	-
Note receivable	-	58,694	58,694	-	-	-
Capital assets, nondepreciable	687,785,484	129,895,726	817,681,210	-	-	-
Capital assets, depreciable, net of accumulated depreciation	484,069,592	575,534,045	1,059,603,637	56,587	3,501,820	-
Total assets	1,615,123,762	870,813,941	2,485,937,703	2,882,678	5,592,182	22,053,104
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges on refunding	7,736,993	4,144,173	11,881,166	-	-	-
Pension related items	1,371,232	-	1,371,232	293,090	1,395,811	-
OPEB related items	149,749	-	149,749	206,579	106,022	-
Total deferred outflows of resources	9,257,974	4,144,173	13,402,147	499,669	1,501,833	-
LIABILITIES						
Accounts payable	12,821,480	11,124,700	23,946,180	314,016	93,589	-
Accrued liabilities	6,584,878	2,048,779	8,633,657	-	193,308	423,104
Customer deposits payable	-	4,555,964	4,555,964	-	-	-
Unearned revenue	-	29,067,011	29,067,011	-	-	-
Noncurrent liabilities due within one year						
Compensated absences payable	7,860,453	574,046	8,434,499	49,702	219,419	-
Note payable	-	335,326	335,326	-	-	-
Claims payable	3,782,173	-	3,782,173	-	-	-
Landfill closure and postclosure	-	70,000	70,000	-	-	-
Bonds payable	10,620,000	5,920,000	16,540,000	-	-	1,355,000
Noncurrent liabilities due in more than one year						
Compensated absences payable	1,965,113	143,511	2,108,624	-	52,057	-
Note payable	-	5,581,389	5,581,389	-	-	-
Claims payable	1,356,810	-	1,356,810	-	-	-
Total OPEB liability	5,803,771	-	5,803,771	-	-	-
Net OPEB liability	-	-	-	581,408	2,512,961	-
Net pension liability	3,646,858	-	3,646,858	1,022,291	5,025,700	-
Landfill closure and postclosure	-	910,000	910,000	-	-	-
Certificates of participation	7,777,000	-	7,777,000	-	-	-
Bonds payable	259,625,124	266,179,068	525,804,192	-	-	23,551,659
Total liabilities	321,843,660	326,509,794	648,353,454	1,967,417	8,097,034	25,329,763
DEFERRED INFLOWS OF RESOURCES						
Deferred revenues - property taxes	100,546,601	-	100,546,601	-	-	-
Accumulated increase in fair value of hedging derivative	1,937,125	-	1,937,125	-	-	-
Pension related items	1,438,362	-	1,438,362	135,016	147,770	-
OPEB related items	-	-	-	395,031	679,056	-
Total deferred inflows of resources	103,922,088	-	103,922,088	530,047	826,826	-
NET POSITION						
Net investment in capital assets	1,014,384,345	541,437,516	1,555,821,861	56,587	3,501,820	-
Restricted for:						
Crime victims' assistance	17,551	-	17,551	-	-	-
Fire protection services	7,823,666	-	7,823,666	-	-	-
Law enforcement activities	2,075,085	-	2,075,085	-	-	-
Law library operations	106,866	-	106,866	-	-	-
Emergency 911 services	3,377,989	-	3,377,989	-	-	-
Health and welfare	-	-	-	754,513	-	-
Debt service	14,299,612	4,482,964	18,782,576	-	-	-
Capital projects	83,114,825	-	83,114,825	-	1,225	-
Unrestricted	73,416,049	2,527,840	75,943,889	73,783	(5,332,890)	(3,276,659)
Total net position	\$ 1,198,615,988	\$ 548,448,320	\$ 1,747,064,308	\$ 884,883	\$ (1,829,845)	\$ (3,276,659)

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 41,890,279	\$ 11,735,555	\$ 174,531	\$ -
Judicial	15,996,098	5,493,653	681,949	-
Public safety	86,485,310	7,710,372	939,715	-
Public works	33,295,832	6,665,309	166,825	12,616,832
Health and welfare	3,483,547	78,520	540,551	-
Culture and recreation	21,654,296	3,303,464	-	-
Housing and development	8,061,671	5,864,384	-	-
Interest on long-term debt	7,408,558	-	-	-
Total governmental activities	<u>218,275,591</u>	<u>40,851,257</u>	<u>2,503,571</u>	<u>12,616,832</u>
Business-type activities:				
Water and sewer	62,185,110	54,072,608	-	30,232,850
Solid waste	1,697,481	2,146,680	-	-
Total business-type activities	<u>63,882,591</u>	<u>56,219,288</u>	<u>-</u>	<u>30,232,850</u>
Total primary government	<u>\$ 282,158,182</u>	<u>\$ 97,070,545</u>	<u>\$ 2,503,571</u>	<u>\$ 42,849,682</u>
Component units:				
Health Department	\$ 1,680,647	\$ 803,648	\$ 1,164,183	\$ -
Library System	7,430,141	255,048	501,228	154,447
Public Facilities Authority	485,344	1,020,825	-	-
Total component units	<u>\$ 9,596,132</u>	<u>\$ 2,079,521</u>	<u>\$ 1,665,411</u>	<u>\$ 154,447</u>

General revenues:

- Property taxes
- Sales and use taxes
- Title ad valorem tax
- Insurance premium taxes
- Business taxes
- Alcoholic beverage taxes
- Franchise taxes
- Unrestricted investment earnings
- Intergovernmental revenue, not restricted for specific programs
- Miscellaneous
- Gain on sale of capital assets

Transfers

- Total general revenues and transfers
- Change in net position

Net position, beginning of year, restated
Net position, end of year

The accompanying notes are an integral part of these financial statements.

**Net (Expense) Revenue and
Changes in Net Position**

Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Health Department	Library System	Public Facilities Authority
\$ (29,980,193)	\$ -	\$ (29,980,193)	\$ -	\$ -	\$ -
(9,820,496)	-	(9,820,496)	-	-	-
(77,835,223)	-	(77,835,223)	-	-	-
(13,846,866)	-	(13,846,866)	-	-	-
(2,864,476)	-	(2,864,476)	-	-	-
(18,350,832)	-	(18,350,832)	-	-	-
(2,197,287)	-	(2,197,287)	-	-	-
(7,408,558)	-	(7,408,558)	-	-	-
<u>(162,303,931)</u>	<u>-</u>	<u>(162,303,931)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	22,120,348	22,120,348	-	-	-
-	449,199	449,199	-	-	-
-	<u>22,569,547</u>	<u>22,569,547</u>	-	-	-
<u>\$ (162,303,931)</u>	<u>\$ 22,569,547</u>	<u>\$ (139,734,384)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 287,184	\$ -	\$ -
-	-	-	-	(6,519,418)	-
-	-	-	-	-	535,481
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,184</u>	<u>\$ (6,519,418)</u>	<u>\$ 535,481</u>
\$ 98,760,755	\$ -	\$ 98,760,755	\$ -	\$ -	\$ -
77,490,453	-	77,490,453	-	-	-
14,252,152	-	14,252,152	-	-	-
11,754,435	-	11,754,435	-	-	-
2,771,784	-	2,771,784	-	-	-
2,324,696	-	2,324,696	-	-	-
74,556	-	74,556	-	-	-
5,468,556	1,565,466	7,034,022	-	840	-
-	420,624	420,624	-	6,275,179	-
1,757,843	11,229	1,769,072	152,040	-	-
-	-	-	-	60,958	-
750,000	(750,000)	-	-	-	-
<u>215,405,230</u>	<u>1,247,319</u>	<u>216,652,549</u>	<u>152,040</u>	<u>6,336,977</u>	<u>-</u>
53,101,299	23,816,866	76,918,165	439,224	(182,441)	535,481
1,145,514,689	524,631,454	1,670,146,143	445,659	(1,647,404)	(3,812,140)
<u>\$ 1,198,615,988</u>	<u>\$ 548,448,320</u>	<u>\$ 1,747,064,308</u>	<u>\$ 884,883</u>	<u>\$ (1,829,845)</u>	<u>\$ (3,276,659)</u>

FORSYTH COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

ASSETS	General	Fire District	SPLOST	Transportation Bond Fund	Nonmajor Governmental Funds	Total
Cash and cash equivalents	\$ 58,540,787	\$ 34,173,499	\$ 58,431,227	\$ -	\$ 89,088,596	\$ 240,234,109
Investments	60,171,417	-	-	-	-	60,171,417
Accounts receivable	1,195,020	-	-	133,250	1,152,147	2,480,417
Taxes receivable	2,348,845	946,758	4,010,453	-	517,183	7,823,239
Intergovernmental receivables	3,531,020	-	-	-	1,139,643	4,670,663
Due from other funds	1,062,078	-	-	3,272,163	850,000	5,184,241
Inventories	411,065	326,108	-	-	-	737,173
Prepaid items	197,273	21,423	-	-	11	218,707
Restricted assets:						
Cash	-	-	99,051,851	2,196,550	4,693,626	105,942,027
Investments	-	-	-	-	6,872,373	6,872,373
Advances to other funds	-	-	-	-	167,726	167,726
Total assets	\$ 127,457,505	\$ 35,467,788	\$ 161,493,531	\$ 5,601,963	\$ 104,481,305	\$ 434,502,092
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 1,867,931	\$ 589,758	\$ 1,599,324	\$ 5,071,520	\$ 3,171,834	\$ 12,300,367
Other accrued liabilities	2,985,625	-	-	-	-	2,985,625
Due to other funds	850,000	-	4,147,163	30,444	156,634	5,184,241
Advances from other funds	-	-	-	-	167,726	167,726
Total liabilities	5,703,556	589,758	5,746,487	5,101,964	3,496,194	20,637,959
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	624,614	179,915	-	-	101,203	905,732
Unavailable revenue - intergovernmental	-	-	-	-	885,382	885,382
Deferred revenue - property taxes	59,619,917	27,054,364	-	-	13,872,320	100,546,601
Total deferred inflows of resources	60,244,531	27,234,279	-	-	14,858,905	102,337,715
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepays	197,273	21,423	-	-	11	218,707
Inventories	411,065	326,108	-	-	-	737,173
Restricted:						
Crime victims' assistance	-	-	-	-	17,540	17,540
Fire protection services	-	7,296,220	-	-	-	7,296,220
Law enforcement activities	-	-	-	-	2,075,085	2,075,085
Law library operations	-	-	-	-	106,866	106,866
Emergency 911 services	-	-	-	-	3,377,989	3,377,989
Capital projects	-	-	155,747,044	499,999	39,162,974	195,410,017
Debt service	-	-	-	-	14,198,409	14,198,409
Assigned:						
Professional services	103,368	-	-	-	-	103,368
Capital projects	324,415	-	-	-	27,553,506	27,877,921
Supplies and materials	19,844	-	-	-	-	19,844
Unassigned	60,453,453	-	-	-	(366,174)	60,087,279
Total fund balances	61,509,418	7,643,751	155,747,044	499,999	86,126,206	311,526,418
Total liabilities, deferred inflows of resources and fund balances	\$ 127,457,505	\$ 35,467,788	\$ 161,493,531	\$ 5,601,963	\$ 104,481,305	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	1,171,526,876
Internal service funds are used by the County to charge cost to other funds. The assets and liabilities are included in the governmental activities.	6,667,448
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.	1,791,114
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(283,527,858)
The net pension liability, deferred inflows of resources, and deferred outflows of resources related to the County's defined benefit pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(3,713,988)
The total OPEB liability is not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(5,654,022)

Net position of governmental activities

\$ 1,198,615,988

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	General	Fire District	SPLOST	Transportation Bond Fund	Nonmajor Governmental Funds	Total
Revenues:						
Taxes	\$ 112,057,305	\$ 23,953,942	\$ 41,114,466	\$ -	\$ 30,318,834	\$ 207,444,547
Licenses and permits	7,187,789	-	-	-	30,836	7,218,625
Intergovernmental	481,792	2,530	-	-	5,201,085	5,685,407
Fines and forfeitures	2,628,404	-	-	-	1,314,907	3,943,311
Charges for services	17,627,575	-	-	-	12,061,746	29,689,321
Interest income	2,636,523	337,727	1,300,030	418,094	2,076,212	6,768,586
Contributions	14,278	-	-	-	217,906	232,184
Miscellaneous	946,824	530,100	-	-	280,919	1,757,843
Total revenues	<u>143,580,490</u>	<u>24,824,299</u>	<u>42,414,496</u>	<u>418,094</u>	<u>51,502,445</u>	<u>262,739,824</u>
Expenditures:						
Current:						
General government	29,797,375	-	-	-	475,216	30,272,591
Judicial	14,503,368	-	-	-	1,243,835	15,747,203
Public safety	50,358,222	24,222,556	172,095	-	6,761,626	81,514,499
Public works	431,568	-	2,535,996	-	14,949,165	17,916,729
Health and welfare	2,087,288	-	-	-	1,119,517	3,206,805
Culture and recreation	16,725,592	-	348,126	-	79,932	17,153,650
Housing and development	7,570,210	-	-	-	715,677	8,285,887
Intergovernmental expenditures	-	-	3,603,058	-	74,154	3,677,212
Capital outlay	-	-	18,214,674	36,256,191	17,411,468	71,882,333
Debt service:						
Principal	-	-	-	-	14,869,458	14,869,458
Interest	-	-	-	-	7,526,485	7,526,485
Cost of issuance	-	-	573,615	-	-	573,615
Total expenditures	<u>121,473,623</u>	<u>24,222,556</u>	<u>25,447,564</u>	<u>36,256,191</u>	<u>65,226,533</u>	<u>272,626,467</u>
Excess (deficiency) of revenues over expenditures	22,106,867	601,743	16,966,932	(35,838,097)	(13,724,088)	(9,886,643)
Other financing sources (uses):						
Proceeds from sale of capital assets	95,763	2,600	-	-	52,672	151,035
Issuance of general obligation bonds	-	-	85,300,000	-	-	85,300,000
Premium on bonds issued	-	-	13,914,447	-	-	13,914,447
Transfers in	2,406,542	-	152,700	417,369	19,907,764	22,884,375
Transfers out	(20,097,187)	(212,831)	(417,369)	-	(535,446)	(21,262,833)
Total other financing sources (uses)	<u>(17,594,882)</u>	<u>(210,231)</u>	<u>98,949,778</u>	<u>417,369</u>	<u>19,424,990</u>	<u>100,987,024</u>
Net change in fund balances	4,511,985	391,512	115,916,710	(35,420,728)	5,700,902	91,100,381
Fund balances, beginning of year	<u>56,997,433</u>	<u>7,252,239</u>	<u>39,830,334</u>	<u>35,920,727</u>	<u>80,425,304</u>	<u>220,426,037</u>
Fund balances, end of year	<u>\$ 61,509,418</u>	<u>\$ 7,643,751</u>	<u>\$ 155,747,044</u>	<u>\$ 499,999</u>	<u>\$ 86,126,206</u>	<u>\$ 311,526,418</u>

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

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

Net change in fund balances - total governmental funds	\$	91,100,381
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		43,486,274
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.		1,992,585
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		562,069
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(84,344,989)
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.		(1,471,845)
Internal service funds are used by management to charge the costs of insurance plans, workers' compensation insurance, administrative costs, and fleet maintenance costs to individual funds. The net revenue of the internal service funds is reported with governmental activities.		1,776,824
Change in net position - governmental activities	\$	<u>53,101,299</u>

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Water & Sewerage Authority	Nonmajor Solid Waste Disposal Facility	Total	Governmental Activities Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 34,981,954	\$ 6,178,922	\$ 41,160,876	\$ 11,829,595
Receivables (net of allowance for uncollectibles)	5,172,869	649,543	5,822,412	792,257
Inventories	1,239,593	-	1,239,593	180,277
Prepaid items	48,831	-	48,831	430,259
Restricted cash and cash equivalents	116,002,812	-	116,002,812	-
Total current assets	<u>157,446,059</u>	<u>6,828,465</u>	<u>164,274,524</u>	<u>13,232,388</u>
Noncurrent assets:				
Note receivable	58,694	-	58,694	-
Capital assets:				
Capital assets, not being depreciated	129,305,996	589,730	129,895,726	-
Capital assets, being depreciated	754,975,786	1,658,796	756,634,582	1,249,610
Less accumulated depreciation	<u>(180,349,689)</u>	<u>(750,848)</u>	<u>(181,100,537)</u>	<u>(921,410)</u>
Total capital assets, net of accumulated depreciation	<u>703,932,093</u>	<u>1,497,678</u>	<u>705,429,771</u>	<u>328,200</u>
Total assets	<u>861,436,846</u>	<u>8,326,143</u>	<u>869,762,989</u>	<u>13,560,588</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	4,144,173	-	4,144,173	-
Total deferred outflows of resources	<u>4,144,173</u>	<u>-</u>	<u>4,144,173</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	11,028,769	95,931	11,124,700	521,113
Accrued expenses	2,048,779	-	2,048,779	-
Customer deposits payable	4,555,964	-	4,555,964	-
Unearned revenue	29,067,011	-	29,067,011	-
Claims payable, current	-	-	-	3,782,173
Compensated absences, current	521,757	52,289	574,046	145,674
Note payable, current	335,326	-	335,326	-
Landfill postclosure, current	-	70,000	70,000	-
Revenue bonds payable, current	<u>5,920,000</u>	<u>-</u>	<u>5,920,000</u>	<u>-</u>
Total current liabilities	<u>53,477,606</u>	<u>218,220</u>	<u>53,695,826</u>	<u>4,448,960</u>
Long-term liabilities:				
Claims payable	-	-	-	1,356,810
Compensated absences	130,439	13,072	143,511	36,418
Note payable	5,581,389	-	5,581,389	-
Landfill postclosure	-	910,000	910,000	-
Revenue bonds payable	<u>266,179,068</u>	<u>-</u>	<u>266,179,068</u>	<u>-</u>
Total long-term liabilities	<u>271,890,896</u>	<u>923,072</u>	<u>272,813,968</u>	<u>1,393,228</u>
Total liabilities	<u>325,368,502</u>	<u>1,141,292</u>	<u>326,509,794</u>	<u>5,842,188</u>
NET POSITION				
Net investment in capital assets	539,939,838	1,497,678	541,437,516	328,200
Restricted for debt service	4,482,964	-	4,482,964	-
Unrestricted	<u>(4,210,285)</u>	<u>5,687,173</u>	<u>1,476,888</u>	<u>7,390,200</u>
Total net position	<u>\$ 540,212,517</u>	<u>\$ 7,184,851</u>	<u>547,397,368</u>	<u>\$ 7,718,400</u>
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds			1,050,952	
Net position of business-type activities			<u>\$ 548,448,320</u>	

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Water & Sewerage Authority	Nonmajor Solid Waste Disposal Facility	Total	Governmental Activities Internal Service Funds
OPERATING REVENUES				
Charges for services:				
Water sales	\$ 30,378,042	\$ -	\$ 30,378,042	\$ -
Sewer sales	22,945,039	-	22,945,039	-
Other	567,084	-	567,084	33,955,582
Recycling and transfer fees	-	2,146,680	2,146,680	-
Insurance recoveries	-	-	-	185,529
Other operating income	182,443	-	182,443	3,305
Total operating revenues	<u>54,072,608</u>	<u>2,146,680</u>	<u>56,219,288</u>	<u>34,144,416</u>
OPERATING EXPENSES				
Salaries and benefits	9,403,364	964,192	10,367,556	1,480,408
Supplies and maintenance	17,551,635	697,427	18,249,062	254,556
Claims	-	-	-	25,039,394
Insurance premiums	-	-	-	3,249,767
General and administrative	-	-	-	1,325,650
Depreciation and amortization expense	15,871,628	57,430	15,929,058	98,311
Water purchases	4,699,466	-	4,699,466	-
Sewer flow costs	4,747,703	-	4,747,703	-
Total operating expenses	<u>52,273,796</u>	<u>1,719,049</u>	<u>53,992,845</u>	<u>31,448,086</u>
Operating income	1,798,812	427,631	2,226,443	2,696,330
NONOPERATING REVENUE (EXPENSES)				
Investment earnings	1,430,164	135,302	1,565,466	84,354
Intergovernmental revenue	420,624	-	420,624	-
Other nonoperating revenue	-	11,229	11,229	-
Gain on disposal of capital assets	13,499	-	13,499	-
Interest expense	(7,449,371)	-	(7,449,371)	-
Loss on defeasance	(2,671,049)	-	(2,671,049)	-
Total nonoperating revenues (expenses)	<u>(8,256,133)</u>	<u>146,531</u>	<u>(8,109,602)</u>	<u>84,354</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS				
	(6,457,321)	574,162	(5,883,159)	2,780,684
Capital contributions	30,232,850	-	30,232,850	84,857
Transfers in	-	-	-	785,000
Transfers out	-	(750,000)	(750,000)	(1,656,542)
Total capital contributions and transfers	<u>30,232,850</u>	<u>(750,000)</u>	<u>29,482,850</u>	<u>(786,685)</u>
Change in net position	23,775,529	(175,838)	23,599,691	1,993,999
NET POSITION, beginning of year	<u>516,436,988</u>	<u>7,360,689</u>		<u>5,724,401</u>
NET POSITION, end of year	<u>\$ 540,212,517</u>	<u>\$ 7,184,851</u>		<u>\$ 7,718,400</u>
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds			217,175	
Change in net position of business-type activities			<u>\$ 23,816,866</u>	

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Water & Sewerage Authority	Nonmajor Solid Waste Disposal Facility	Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 49,532,370	\$ 1,907,734	\$ 51,440,104	\$ 34,121,601
Payments to suppliers and service providers	(25,032,921)	(707,218)	(25,740,139)	(29,374,330)
Payments to employees	(9,415,482)	(958,909)	(10,374,391)	(1,361,336)
Net cash provided by operating activities	<u>15,083,967</u>	<u>241,607</u>	<u>15,325,574</u>	<u>3,385,935</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Maturities of investments	13,270,098	-	13,270,098	1,585,807
Interest received	1,464,191	135,302	1,599,493	92,432
Net cash provided by investing activities	<u>14,734,289</u>	<u>135,302</u>	<u>14,869,591</u>	<u>1,678,239</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(45,211,688)	(172,118)	(45,383,806)	(62,917)
Proceeds from sale of capital assets	13,499	-	13,499	-
Principal payments on notes	(326,147)	-	(326,147)	-
Principal payments on bonds	(5,700,000)	-	(5,700,000)	-
Issuance of bonds	137,550,000	-	137,550,000	-
Premium on bond issuance	13,877,565	-	13,877,565	-
Deposits with escrow agents	(61,206,579)	-	(61,206,579)	-
Interest and fiscal charges paid	(8,161,210)	-	(8,161,210)	-
Intergovernmental grants received	420,624	-	420,624	-
Capital contributions received	13,702,780	-	13,702,780	-
Net cash provided by (used in) capital and related financing activities	<u>44,958,844</u>	<u>(172,118)</u>	<u>44,786,726</u>	<u>(62,917)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Other non-operating income	-	11,229	11,229	-
Transfers in	-	-	-	785,000
Transfers out	-	(750,000)	(750,000)	(1,656,542)
Net cash used in noncapital financing activities	<u>-</u>	<u>(738,771)</u>	<u>(738,771)</u>	<u>(871,542)</u>
Net increase (decrease) in cash and cash equivalents	74,777,100	(533,980)	74,243,120	4,129,715
Cash and cash equivalents:				
Beginning of year	76,207,666	6,712,902	82,920,568	7,699,880
End of year	<u>\$ 150,984,766</u>	<u>\$ 6,178,922</u>	<u>\$ 157,163,688</u>	<u>\$ 11,829,595</u>
Classified as:				
Cash and cash equivalents	\$ 34,981,954	\$ 6,178,922	\$ 41,160,876	\$ 11,829,595
Restricted cash and cash equivalents	116,002,812	-	116,002,812	-
Total	<u>\$ 150,984,766</u>	<u>\$ 6,178,922</u>	<u>\$ 157,163,688</u>	<u>\$ 11,829,595</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 1,798,812	\$ 427,631	\$ 2,226,443	\$ 2,696,330
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	15,871,628	57,430	15,929,058	98,311
(Increase) decrease in accounts and notes receivable	(233,226)	(238,946)	(472,172)	873,865
(Increase) decrease in inventories	(115,324)	-	(115,324)	15,745
Increase in prepaid expenses	(45,083)	-	(45,083)	(71,599)
Increase in accounts payable	1,849,499	60,209	1,909,708	111,923
Increase in accrued expenses	55,442	-	55,442	-
Increase in customer deposits payable	221,349	-	221,349	-
Decrease in unearned revenue	(4,307,012)	-	(4,307,012)	-
Increase (decrease) in compensated absences	(12,118)	5,283	(6,835)	69,261
Increase in claims payable	-	-	-	(407,901)
Decrease in landfill postclosure care costs	-	(70,000)	(70,000)	-
Net cash provided by operating activities	<u>\$ 15,083,967</u>	<u>\$ 241,607</u>	<u>\$ 15,325,574</u>	<u>\$ 3,385,935</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	\$ 16,530,070	\$ -	\$ 16,530,070	\$ 84,857
Total noncash capital and related financing activities	<u>\$ 16,530,070</u>	<u>\$ -</u>	<u>\$ 16,530,070</u>	<u>\$ 84,857</u>

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

ASSETS	Custodial Funds	Pension Trust Fund
Cash and cash equivalents	\$ 18,680,698	\$ 676,276
Mutual funds	-	18,660,835
Taxes receivable	8,316,443	-
Other receivable	11,655	831
Total assets	<u>27,008,796</u>	<u>19,337,942</u>
LIABILITIES		
Due to others	6,979,229	-
Uncollected taxes	8,316,443	-
Total liabilities	<u>15,295,672</u>	<u>-</u>
NET POSITION		
Restricted:		
Pension benefits	-	19,337,942
Individuals, organizations, and other governments	11,713,124	-
Total net position	<u>\$ 11,713,124</u>	<u>\$ 19,337,942</u>

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA
STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Custodial Funds	Pension Trust Fund
ADDITIONS		
Employer contributions	\$ -	\$ 1,000,000
Investment income:		
Investment income, net of expenses	-	3,349,270
Interest income	516	-
Net decrease in fair value of investments	-	(61,012)
Net investment income	516	3,288,258
Taxes	408,667,631	-
Fines and fees	5,167,865	-
Criminal and civil bonds	17,683,004	-
Land condemnations	15,142,491	-
Total additions	446,661,507	4,288,258
DEDUCTIONS		
Benefit payments	-	1,106,799
Taxes and fees paid to other governments	411,755,063	-
Payments to Board of Commissioners	20,727,296	-
Other custodial disbursements	5,541,660	-
Total deductions	438,024,019	1,106,799
Change in fiduciary net position	8,637,488	3,181,459
NET POSITION, beginning of year, restated	3,075,636	16,156,483
NET POSITION, end of year	<u>\$ 11,713,124</u>	<u>\$ 19,337,942</u>

The accompanying notes are an integral part of these financial statements.

FORSYTH COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Forsyth County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

Forsyth County operates under a commissioner-manager form of government under which a five-member Board of Commissioners is elected to serve as the legislative body for the County. The commissioners are by geographical districts in which they reside by voters county-wide, then the Board members elect a chairman. The County provides the following services: public safety, judicial, public works, health and welfare, culture and recreation, housing and development, and general administrative services.

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 and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Units

The Forsyth County Water and Sewerage Authority (Authority) is authorized to acquire, construct, add to, extend, improve, equip, operate, and maintain water and sewerage systems and any other related facilities for the County. The Authority is made up of the five members of the Board of Commissioners of Forsyth County, Georgia, and the director of the Water and Sewer Department of the County. Thus, the Authority's governing body is substantially the same as the governing Board of Forsyth County. The Authority creates a financial burden for the County, as the debt issued by the Authority is secured through intergovernmental rental agreements with the County, and will be repaid with County resources. The Authority is reported as an enterprise fund. No separate financial statements are issued for this component unit.

Discretely Presented Component Units

The Forsyth County Department of Public Health (the "Health Department") is governed by a seven-member board consisting of the Chairman of the County Board of Commissioners and three members as appointed by the County Board of Commissioners. As such, the County appoints a voting majority of the Health Department's Board. Additionally, the County has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Health Department has a June 30th year-end and is presented as a governmental type component unit. The Health Department's financial statements can be obtained by writing to the Forsyth County Health Department, P.O. Box 1295, Gainesville, Georgia 30503.

The Forsyth County Public Library (the "Library") serves all citizens of Forsyth County. The Library is governed by a 5-member board of Trustees appointed by the County Board of Commissioners. The County provides the majority of funding for the Library. The Library is presented as a governmental fund type. The Library's fiscal year end is June 30.

The Library's financial statements can be obtained by writing to the Forsyth County Public Library, 585 Dahlonega Road, Cumming, Georgia 30040.

The Forsyth County Public Facilities Authority (the "PFA") was created in 2008 by the State of Georgia General Assembly. The purpose of the PFA is to provide public buildings and facilities for Forsyth County, Georgia and the Forsyth County School District. The PFA has the power to issue revenue bonds for such purposes; however, the PFA does not have any taxing powers. The PFA is governed by five (5) members appointed by the County Board of Commissioners. Additionally, the County is able to impose its will on the PFA through the ability to modify or approve its financing activities.

The PFA is presented as a governmental fund type and separate financial statements for the PFA are not prepared. The PFA reports no current assets or current liabilities and therefore a balance sheet on the modified accrual basis of accounting is not reported. Financial information for the PFA can be obtained by contacting the County's management at 110 East Main Street, Suite 210, Cumming, Georgia 30040.

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 primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants 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 funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Basis of 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The Water and Sewerage Authority offers sewer reservation agreements, which require outside developers to buy future capacity on the County's system. These funds are reported as unearned revenue until the developer comes to apply for sewer taps or access to the sewer system, at which point the advance payments are then applied to the requested taps and thus recognized as earned revenues.

Governmental 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 property taxes to be available if they are collected within 60 days of the end of the current fiscal period for which they are levied. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

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

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** accounts for the restricted revenues generated from a restricted millage rate levied for the purpose of providing for the operations of the County Fire Department.

The **Special Purpose Local Option Sales Tax (SPLOST) Fund** is used to account for the revenues and expenditures relating to the County's 1% Special Purpose Local Option Sales Tax issues.

The **Transportation Bond Fund** is used to account for the financial resources received from the issuance of General Obligation Bonds, Series 2015 and the related expenditures for County-wide transportation projects.

The County reports the following major proprietary fund:

The **Water and Sewerage Authority** accounts for the activities of the County's water and sewerage system.

Additionally, the County reports the following fund types:

The **special revenue funds** account for revenue sources that are restricted or committed to expenditure for specific purposes.

The **capital projects funds** are used to account for the expenditures of proceeds from the Impact Fees and other local sources on projects throughout the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Additionally, the County reports the following fund types (continued):

The *internal service funds* account for operations that provide services to other departments or agencies of the government on a cost reimbursement basis. The County uses internal service funds to account for risk management, workers' compensation, health insurance benefits, and fleet maintenance. See the internal service fund divider page for a detailed description of the County's internal service funds.

The *custodial funds* are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

The *pension trust fund* is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The pension trust fund accounts for the assets of the government's employee pension plan.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as 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 revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-3, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

The County's nonparticipating interest-earning investment contracts are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

E. Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by non-spendable fund balance 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

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are accounting for using the consumption method.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

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

<u>Asset Category</u>	<u>Years</u>
Buildings and improvements	20 - 50
Machinery and equipment	5 - 20
Vehicles	3 - 10
Intangible assets	7 - 11
Infrastructure	20 - 50

The County purchases future sewer capacity rights from other local governments and entities which are recorded as intangible assets. The County uses the rights to enable its sewer system to handle and process the demands of its customers. It should be noted that a significant majority of the County's sewer rights were purchased with indefinite lives and, therefore, are not subject to amortization of the cost. Those rights will be carried on the financial statements at original cost, similar to a non-depreciable asset.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. One item that qualifies for reporting in this category is the deferred charge on refunding reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and intergovernmental revenues as these amounts are deferred and will be recognized as an inflow of resources (revenue) in the period in which the amounts become available.

The County also has deferred inflows and outflows 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. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. 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. Additionally, any contributions made by the County to the pension plan before year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources. These contributions will reduce the County's net pension liability in the next fiscal period.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

The governmental funds balance sheet and the government wide statement of net position will report deferred inflows of resources for unearned revenues. The County reports unearned revenues from property taxes which are received or reported as a receivable before the period for which the taxes have been levied. Additionally, the County reports unearned intergovernmental revenues from voluntary exchange transactions for resources received before time requirements are met but after all other eligibility requirements have been met.

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements as these amounts will be paid to employees upon termination or retirement. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

J. 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 expensed 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 debt issued and any related premiums are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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."

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

Fund Balance – Generally, fund balance represents the difference between the assets and 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 not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action of the County Board of Commissioners by passage of a resolution and the commitment can only be removed by a resolution of the Board.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Board of Commissioners has delegated, through resolution, the Finance Director the authority to assign amounts to be used for specific purposes.

Unassigned – Fund balances are reported as unassigned as the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. The general fund is the only fund that can report a positive unassigned fund balance; any fund of the County reporting a deficit fund balance at year-end will report that balance as unassigned.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

For the year ending December 31, 2019, the County has reported \$447,627 of encumbrances as assignments of fund balance in the General Fund.

Net Position – Net position represents the difference between assets and deferred outflows of resources and 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. 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. 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 outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

M. Pensions

The Forsyth County Defined Benefit Pension Plan uses a single fiduciary fund to maintain its financial records. The fiduciary fund is accounted for on a flow of economic resources measurement focus. Revenues are recognized when earned and expenses are recognized at the time they are incurred. Employer contributions are recognized when legally due. Benefit payments are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes 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 not reported in the funds.” The details of this \$283,527,858 difference are as follows:

Bonds payable	\$ (240,200,000)
Unamortized premiums	(30,045,124)
Deferred charges on refunding	7,736,993
Certificates of participation	(7,777,000)
Accrued interest	(3,599,253)
Compensated absences	<u>(9,643,474)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (283,527,858)</u></u>

Another element of that reconciliation explains that “the net pension liability, deferred inflows of resources, and deferred outflows of resources related to the County’s defined benefit pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.” The details of this \$3,713,988 difference are as follows:

Net pension liability	\$ (3,646,858)
Deferred inflows of resources - pension items	(1,438,362)
Deferred outflows of resources - pension items	<u>1,371,232</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (3,713,988)</u></u>

Another element of that reconciliation explains that “the total OPEB liability, deferred inflows of resources, and deferred outflows of resources related to the County’s OPEB plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.” The details of this \$5,654,022 difference are as follows:

Net OPEB liability	\$ (5,803,771)
Deferred outflows of resources - OPEB items	<u>149,749</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (5,654,022)</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

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 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 outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$43,486,274 difference are as follows:

Capital outlay	\$ 75,750,862
Depreciation expense	<u>(32,264,588)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 43,486,274</u>

Another element of the reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” The details of this \$1,992,585 difference are as follows:

Net book value of capital assets disposed	\$ (5,247,555)
Donations of capital assets	<u>7,240,140</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 1,992,585</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

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 (Continued)

Another element of the reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this \$84,344,989 difference are as follows:

Principal repayments on bonds payable	\$ 12,190,000
Principal repayments on capital leases	2,679,458
Issuance of bonds	(85,300,000)
Premium on bond issuance	<u>(13,914,447)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (84,344,989)</u>

Another element of that reconciliation states 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 \$1,471,845 difference are as follows:

Compensated absences	\$ (1,225,972)
Change in OPEB expense	14,530
Change in pension expense	(951,945)
Amortization	1,893,498
Accrued interest	<u>(1,201,956)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (1,471,845)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS

Budgets and Budgetary Accounting

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

1. Prior to January 1, the County Manager submits to the Board of Commissioners a proposed operating budget for each department for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the County.
3. The budget is then adopted by the Board of Commissioners at a public meeting.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget at the department level must be amended by formal action of the Board of Commissioners in a regular meeting.
5. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets are adopted for the General Fund, Debt Service Fund, and special revenue funds. Project length budgets are adopted for the capital projects funds.
6. Formal budgetary integration is employed as a measurement control device during the year for the General Fund, Debt Service Fund, and the special revenue funds. An annual operating budget is prepared for the proprietary and internal service funds for planning, control, cost allocation and evaluation purposes. All appropriations lapse at year end.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. 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 any 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.

Operating funds of the County are currently invested in the Georgia Fund 1; U.S. Treasury notes; U.S. Government sponsored entities (Federal Home Loan Bank, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation); certificates of deposit; or maintained in demand deposit, savings, and public funds money market accounts with financial institutions.

Custodial credit risk. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of December 31, 2019, the County had deposits with three (3) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. Additionally, the County had deposits with two (2) financial institution collateralized by pledged securities, as defined above, such that all of the County's deposits with financial institutions as of December 31, 2019 were insured and/or collateralized as required by State statutes.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At December 31, 2019, information on the credit risk and interest rate risk related to the County's investments is disclosed as follows:

<u>Investment</u>	<u>Weighted Average Maturity</u>	<u>Credit Rating</u>	<u>Balance</u>
Georgia Fund 1	39 days	AAAf	\$ 88,803,942
Morgan Stanley Institutional Liquidity	34 days	AAAm	4,954,739
Fidelity Institutional Treasury MM	20 days	(a)	222,341,950
United States Treasuries	201 days	AAA	44,973,555
Certificates of deposit	1.00 years	(a)	4,173,799
Government Sponsored Entities	1.41 years	AAA	11,024,063
Guaranteed Investment Contract	8.42 years	(b)	6,872,373
			<u>\$ 383,144,421</u>

(a) These are money market accounts or certificates of deposit (CDs) which are not rated.

(b) This is a guaranteed contract with the Georgia Municipal Association (GMA) and is not rated.

The County reports its holdings in the Fidelity Institutional, Morgan Stanley Institutional Liquidity money market funds, and the Georgia Fund 1, as cash equivalents for financial reporting purposes.

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for the identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued). The County has the following recurring fair value measurements as of December 31, 2019:

Investment	Level 1	Level 2	Fair Value
Money Market Mutual Funds	\$ 227,296,689	\$ -	\$ 227,296,689
United States Treasuries	11,024,063	-	11,024,063
Government Sponsored Entities	15,006,077	29,967,478	44,973,555
Total investments measured at fair value	\$ 253,326,829	\$ 29,967,478	283,294,307
Investments not subject to level disclosure:			
Georgia Fund 1			88,803,942
Investments carried at cost:			
Guaranteed Investment Contract			6,872,373
Certificates of Deposit			4,173,799
Total Investments			\$ 383,144,421
Fair market hedging derivative:			
Interest rate swap agreement	\$ -	\$ 1,937,125	\$ 1,937,125

The Money Market Mutual Funds, United States Treasuries, and the Government Sponsored Entities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. The investments in Government Sponsored Entities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique.

The interest rate swap agreement is classified as an 'other asset' as more fully described in Note 8. The fair value of the interest rate swap agreement classified as Level 2 of the fair value hierarchy is valued using an option-adjusted discounted cash flow model.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. There are no limitations or restrictions on participant withdrawals. As a result, the County does not disclose the investment in Georgia Fund 1 within the fair value hierarchy.

The County's Guaranteed Investment Contract as well as its certificates of deposit are nonparticipating interest-earning investment contracts and, accordingly, are recorded at cost.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Plan

The Plan's policy in regard to investments, including the allocation of invested assets, is established and may be amended by the Board of Commissioners by a majority vote of its members. The Plan is authorized to invest in obligations of the United States Treasury or its agencies and instrumentalities, collateralized mortgage obligations, asset and mortgage backed securities, taxable bonds that are obligations of any state and its agencies, instrumentalities, and political subdivisions, and in certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations. Additionally, the Plan is authorized to invest in common stocks, money market instruments, and corporate bonds and debentures, which are not in default as to principal and interest.

The Plan investment policy adopts the following asset allocation mix to achieve the lowest level of risk for the Plan: Equity Securities between 55% and 65% at market value, Fixed Income investments between 32% and 42%, and cash equivalents up to 5% of total asset mix.

At December 31, 2019, the Plan had \$19,337,111 invested in the following types of investments:

Investment	Average Maturity	Credit Rating	Fair Value
Collective funds	Less than 1 year	(a)	\$ 17,081,387
Mutual funds invested in equities	n/a	n/a	497,487
Mutual funds invested in fixed income	7.47 years	n/a	1,758,237
			<u>\$ 19,337,111</u>

(a) These are collective funds at a financial institution and are not rated

Credit Risk. It is the Plan's policy to limit investments to either mutual fund equities or fixed income bonds. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody's, S&P, or Fitch. U.S. Government Treasuries and Agency bonds are not classified by credit quality. Mutual funds invested in equities are also not classified by credit quality.

Concentration. On December 31, 2019, the Plan did not have debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented greater than 5% of plan fiduciary net position.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Plan (Continued)

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for the identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County's pension plan has the following recurring fair value measurements as of December 31, 2019:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Fair Value</u>
Mutual Funds	\$ 497,487	\$ 1,758,237	\$ 2,255,724
Collective Funds	<u>1,758,337</u>	<u>15,323,050</u>	<u>17,081,387</u>
Total investments measured at fair value	<u>\$ 2,255,824</u>	<u>\$ 17,081,287</u>	<u>\$ 19,337,111</u>

The mutual funds and collective funds classified in Level 1 of the fair value hierarchy are valued using prices in active markets for those securities. The mutual funds and collective funds classified in Level 2 of the fair value hierarchy are valued using inputs other than quoted prices that are observable.

Rate of return. For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 18.53 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Custodial Credit Risk - Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Plan may not be able to recover its deposits. As of December 31, 2019, the Plan did not have any deposits with financial institutions which were uninsured or under collateralized, as defined by State statutes.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Receivables at December 31, 2019, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Fire District Fund	SPLOST Fund	Transportation Bond Fund
Receivables:				
Taxes	\$ 2,348,845	\$ 946,758	\$ 4,010,453	\$ -
Other governments	3,531,020	-	-	-
Accounts	1,195,020	-	-	133,250
Gross receivables	7,074,885	946,758	4,010,453	133,250
Less allowance for uncollectibles	-	-	-	-
Net receivables	\$ 7,074,885	\$ 946,758	\$ 4,010,453	\$ 133,250
	Nonmajor Governmental Funds	Water & Sewerage Authority	Nonmajor Proprietary Fund	
Receivables:				
Taxes	\$ 517,183	\$ -	\$ -	
Other governments	1,139,643	-	-	
Accounts	1,152,147	5,424,270	649,543	
Gross receivables	2,808,973	5,424,270	649,543	
Less allowance for uncollectibles	-	(251,401)	-	
Net receivables	\$ 2,808,973	\$ 5,172,869	\$ 649,543	

Property taxes for the 2019 fiscal year were levied on July 24, 2018, with property values assessed as of January 1, 2018. Bills are payable on or before November 15, 2018 after which the applicable property is subject to lien and penalties and interest as assessed. Property taxes attached as an enforceable lien on property as of December 16, 2018. Property taxes levied during 2019 are for fiscal year 2020. Amounts recorded as a receivable and amounts collected as of December 31, 2019 related to these taxes are recorded as deferred inflows of resources – deferred revenue in both the fund-level and government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Primary Government

Capital asset activity for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	\$ 463,642,869	\$ 13,773,664	\$ -	\$ 813,138	\$ 478,229,671
Infrastructure land improvements	170,044,754	14,900	-	408,990	170,468,644
Construction in progress	41,424,171	56,077,854	(4,500,451)	(53,914,405)	39,087,169
Total capital assets, not being depreciated	<u>675,111,794</u>	<u>69,866,418</u>	<u>(4,500,451)</u>	<u>(52,692,277)</u>	<u>687,785,484</u>
Capital assets, being depreciated:					
Buildings and improvements	269,656,212	497,565	(30,000)	2,618,909	272,742,686
Machinery and equipment	55,658,995	1,746,409	(2,679,044)	4,181,343	58,907,703
Vehicles	35,360,526	6,161,386	(2,704,932)	67,664	38,884,644
Infrastructure	413,619,345	4,866,998	-	45,824,361	464,310,704
Total capital assets, being depreciated	<u>774,295,078</u>	<u>13,272,358</u>	<u>(5,413,976)</u>	<u>52,692,277</u>	<u>834,845,737</u>
Less accumulated depreciation for:					
Buildings and improvements	(51,543,928)	(7,724,269)	23,563	-	(59,244,634)
Machinery and equipment	(33,720,231)	(5,011,073)	2,573,729	-	(36,157,575)
Vehicles	(24,435,438)	(3,514,274)	2,069,580	-	(25,880,132)
Infrastructure	(213,380,521)	(16,113,283)	-	-	(229,493,804)
Total accumulated depreciation	<u>(323,080,118)</u>	<u>(32,362,899)</u>	<u>4,666,872</u>	<u>-</u>	<u>(350,776,145)</u>
Total capital assets, being depreciated, net	<u>451,214,960</u>	<u>(19,090,541)</u>	<u>(747,104)</u>	<u>52,692,277</u>	<u>484,069,592</u>
Governmental activities capital assets, net	<u>\$ 1,126,326,754</u>	<u>\$ 50,775,877</u>	<u>\$ (5,247,555)</u>	<u>\$ -</u>	<u>\$ 1,171,855,076</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 30,333,850	\$ -	\$ -	\$ -	\$ 30,333,850
Sewer capacity rights	8,359,949	57,270	-	-	8,417,219
Construction in progress	96,660,162	43,054,965	-	(48,570,470)	91,144,657
Total capital assets, not being depreciated	<u>135,353,961</u>	<u>43,112,235</u>	<u>-</u>	<u>(48,570,470)</u>	<u>129,895,726</u>
Capital assets, being depreciated:					
Land improvements	392,643	-	-	-	392,643
Buildings and improvements	65,612,909	-	-	-	65,612,909
Machinery and equipment	7,700,670	508,383	(6,850)	-	8,202,203
Vehicles	3,383,625	1,312,947	(57,598)	-	4,638,974
Sewer capacity rights	14,609,550	-	-	-	14,609,550
Infrastructure	597,627,522	16,980,311	-	48,570,470	663,178,303
Total capital assets, being depreciated	<u>689,326,919</u>	<u>18,801,641</u>	<u>(64,448)</u>	<u>48,570,470</u>	<u>756,634,582</u>
Less accumulated depreciation for:					
Land improvements	(192,153)	(5,623)	-	-	(197,776)
Buildings and improvements	(5,858,168)	(1,323,807)	-	-	(7,181,975)
Machinery and equipment	(4,617,077)	(289,282)	6,850	-	(4,899,509)
Vehicles	(2,103,307)	(344,697)	57,598	-	(2,390,406)
Sewer capacity rights	(10,225,578)	(1,143,645)	-	-	(11,369,223)
Infrastructure	(142,239,644)	(12,822,004)	-	-	(155,061,648)
Total accumulated depreciation	<u>(165,235,927)</u>	<u>(15,929,058)</u>	<u>64,448</u>	<u>-</u>	<u>(181,100,537)</u>
Total capital assets, being depreciated, net	<u>524,090,992</u>	<u>2,872,583</u>	<u>-</u>	<u>48,570,470</u>	<u>575,534,045</u>
Business-type activities capital assets, net	<u>\$ 659,444,953</u>	<u>\$ 45,984,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 705,429,771</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

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

Governmental activities:		
General government	\$	2,272,519
Judicial		370,754
Public safety		8,550,830
Public works		16,033,614
Health and welfare		414,422
Culture and recreation		4,623,210
Housing and development		97,550
Total depreciation expense - governmental activities		<u><u>\$32,362,899</u></u>
Business-type activities:		
Water and Sewerage Authority	\$	15,871,628
Solid Waste Disposal Facility		57,430
Total depreciation expense - business-type activities		<u><u>\$ 15,929,058</u></u>

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2019, was as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental funds	\$ 156,634
General Fund	Transportation	30,444
General Fund	SPLOST	875,000
Transportation	SPLOST	3,272,163
Nonmajor Governmental funds	General Fund	850,000
		<u><u>\$ 5,184,241</u></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. Additionally, the amount owed from the SPLOST Fund relates to a voter approved SPLOST project for which grant funding was also available and the interfund balance arose as the County had not moved the cash by year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Advances to/from other funds:

Advance to	Advance from	Amount
Nonmajor governmental funds	Nonmajor governmental funds	\$ 167,726
		\$ 167,726

The amounts payable from the nonmajor governmental funds relate to equipment purchases made by the Capital Projects Fund and transferred to those funds. The balance is expected to be repaid in annual installments over the life of the asset.

Interfund transfers for the year ended December 31, 2019 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor enterprise funds	\$ 500,000
General Fund	Nonmajor governmental funds	250,000
General Fund	Internal service funds	1,656,542
		\$ 2,406,542
Internal service funds	General Fund	\$ 785,000
Nonmajor governmental funds	General Fund	\$ 19,312,187
Nonmajor governmental funds	Fire Fund	212,831
Nonmajor governmental funds	Nonmajor governmental funds	132,746
Nonmajor governmental funds	Nonmajor enterprise funds	250,000
		\$ 19,907,764
Transportation Bond Fund	SPLOST Fund	\$ 417,369
SPLOST Fund	Nonmajor governmental funds	\$ 152,700

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) to move funds for the purchase of capital assets into the funds where all of the project costs are being tracked, and (3) to move SPLOST proceeds from the SPLOST fund to the Transportation Bond Fund to reimburse the Transportation Bond Fund for expenditures incurred in a prior year that the County has determined to be appropriate SPLOST expenditures as allowed in the referendum.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the year ended December 31, 2019:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable	\$ 167,090,000	\$ 85,300,000	\$ (12,190,000)	\$ 240,200,000	\$ 10,620,000
Plus: Premiums	19,127,477	13,914,447	(2,996,800)	30,045,124	-
Total bonds payable	<u>186,217,477</u>	<u>99,214,447</u>	<u>(15,186,800)</u>	<u>270,245,124</u>	<u>10,620,000</u>
Capital leases payable	2,679,458	-	(2,679,458)	-	-
Certificates of participation	7,777,000	-	-	7,777,000	-
Total OPEB liability	5,668,552	659,480	(524,261)	5,803,771	-
Net pension liability	4,652,401	3,456,680	(4,462,223)	3,646,858	-
Compensated absences	8,530,332	9,584,041	(8,288,807)	9,825,566	7,860,453
Claims payable	<u>5,546,884</u>	<u>25,994,955</u>	<u>(26,402,856)</u>	<u>5,138,983</u>	<u>3,782,173</u>
Governmental activities long-term liabilities	<u>\$ 221,072,104</u>	<u>\$ 138,909,603</u>	<u>\$ (57,544,405)</u>	<u>\$ 302,437,302</u>	<u>\$ 22,262,626</u>
Business-type Activities:					
Bonds payable	\$ 172,035,000	\$ 137,550,000	\$ (63,075,000)	\$ 246,510,000	\$ 5,920,000
Plus: Premiums	15,370,534	13,877,565	(3,659,031)	25,589,068	-
Total bonds payable	<u>187,405,534</u>	<u>151,427,565</u>	<u>(66,734,031)</u>	<u>272,099,068</u>	<u>5,920,000</u>
Note payable from direct borrowings	6,242,862	-	(326,147)	5,916,715	335,326
Landfill postclosure costs	1,050,000	-	(70,000)	980,000	70,000
Compensated absences	<u>724,393</u>	<u>895,359</u>	<u>(902,195)</u>	<u>717,557</u>	<u>574,046</u>
Business-type activities long-term liabilities	<u>\$ 195,422,789</u>	<u>\$ 152,322,924</u>	<u>\$ (68,032,373)</u>	<u>\$ 279,713,340</u>	<u>\$ 6,899,372</u>

For governmental activities, compensated absences and claims and judgments are being liquidated primarily by the General Fund. The total OPEB liability and net pension liability are primarily liquidated by the General Fund and the Fire District Fund. For business-type activities, compensated absences are liquidated by the Water and Sewerage Authority and the Solid Waste Disposal Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

General Obligation Bonds. During 2008, the County issued \$83,000,000 of Series 2008A general obligation bonds. The 2008A Bonds were issued for the purpose of providing funds to finance the costs of acquiring, constructing, renovating, and equipping parks and recreational areas, programs, and facilities in the County. They bear interest rates from 2.5%-5.0% and are payable on March 1 and September 1 of each year. During 2015, the County issued \$60,315,000 of Series 2015B general obligation bonds for the purpose of refunding \$64,065,000 of the Series 2008A bonds maturing March 1, 2020 through March 1, 2028. The Series 2015B Bonds bear interest at rates from 3.0% to 5.0% and are payable on March 1 and September 1 of each year, maturing on March 1, 2028. As of December 31, 2019, the outstanding principal balance of the Series 2015B general obligation bonds is \$60,315,000

As part of the refunding mentioned above, the County defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2019, the outstanding amount of Series 2008A general obligation bonds considered legally defeased is \$64,065,000.

During 2012, the County issued \$20,960,000 of Series 2012 general obligation bonds. The 2012 bonds were issued to refund \$19,155,000 of the \$23,715,000 in aggregate principal amount of the Series 2004 Bonds maturing March 1, 2004 through 2020. The bonds, which bear interest at rates from 0.4% to 2.1%, mature March 1, 2020. As of December 31, 2019, the outstanding principal balance is \$3,745,000.

During 2013, the County issued \$14,130,000 of Series 2013 general obligation bonds. The 2013 bonds were issued to finance costs of acquiring, constructing, renovating, and equipping parks and recreational areas, programs, and facilities in the County. The bonds, which bear interest at rates from 3.0% to 5.0%, mature March 1, 2028. As of December 31, 2019, the outstanding principal balance is \$3,320,000.

During 2015, the County issued \$83,765,000 of Series 2015A general obligation bonds. The 2015A bonds were issued to finance the costs of constructing and installing various transportation improvement projects throughout the County. The bonds, which bear interest at rates from 3.0% to 5.0%, mature March 1, 2035. As of December 31, 2019, the outstanding principal balance is \$12,150,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

General Obligation Bonds (Continued). In December 2017, the County issued \$76,830,000 of Series 2017 general obligation refunding bonds at a premium of \$7,316,538. The purpose of the refunding was to partially refund \$7,415,000 of the Series 2013 general obligation bonds and \$63,395,000 of the 2015A general obligation bonds. The Series 2017 bonds bear interest at rates from 3.12% to 5.0% and are payable annually on March 1 until maturity on March 1, 2035. The refunding transaction undertaken by the County resulted in aggregate debt service savings of \$5,076,705 and an economic gain (net present value of the aggregate debt service savings) of \$4,067,632. The current outstanding amount of debt considered legally defeased equals \$7,415,000 for the Series 2013 general obligation bonds and \$63,395,000 for the Series 2015A general obligation bonds as of December 31, 2019. As of December 31, 2019, the outstanding principle balance is \$75,370,000.

In September 2019, the County issued \$85,300,000 of Series 2019 general obligation sales tax bonds at a premium of \$13,914,447. The 2019 general obligation bonds were issued to finance capital outlay projects that were approved under a prior referendum. The bonds, which bear an interest rate of 5.00%, mature in September 2025. As of December 31, 2019, the outstanding principal balance is \$85,300,000.

The County's debt service requirements to maturity on the general obligation bonds are as follows:

Year ending December 31,	Principal	Interest	Total
2020	\$ 10,620,000	\$ 10,764,076	\$ 21,384,076
2021	23,885,000	10,415,694	34,300,694
2022	25,210,000	9,224,469	34,434,469
2023	26,610,000	7,966,444	34,576,444
2024	27,965,000	6,628,944	34,593,944
2025-2029	82,930,000	15,284,969	98,214,969
2030-2034	35,235,000	4,082,647	39,317,647
2035	7,745,000	125,856	7,870,856
Total	<u>\$ 240,200,000</u>	<u>\$ 64,493,099</u>	<u>\$ 304,693,099</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Certificates of Participation. In June 1998, the County entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating municipalities with the County's participation totaling \$7,777,000. The lease pool agreement with the Association provides that the County owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal of \$7,777,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The County draws from the investment to lease equipment from the Association. The lease pool agreement requires the County to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

As part of the issuance of the certificates of participation, the County entered into an interest rate swap agreement. Under the Swap Agreement, the County is required to pay (1) a semi-annual (monthly beginning July 1, 2003) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the County a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (2) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the County are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates.

Monthly interest payments between the County, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the County's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge. In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the County would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the County executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa3 by Moody's.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Certificates of Participation (Continued). At December 31, 2019, the floating rate being paid by the County is 1.92% and the fair value of this agreement is \$1,937,125, an increase of \$316,673 from the prior year. The fair value of the hedge was determined using settlement prices at the end of the day on December 31, 2019 based on the derivative contract. This market value is reported as an asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as a deferred inflow of resources in the Statement of Net Position.

The County's total certificates of participation debt service requirements to maturity are as follows:

	Principal	Interest	Total
Fiscal Year Ending December 31,			
2020	\$ -	\$ 369,408	\$ 369,408
2021	-	369,408	369,408
2022	-	369,408	369,408
2023	-	369,408	369,408
2024	-	369,408	369,408
2025-2028	7,777,000	1,292,928	9,069,928
Total	\$ 7,777,000	\$ 3,139,968	\$ 10,916,968

Revenue Bonds. Series 2019 Water and Sewer Revenue Bonds – In November 2019, the County Water and Sewerage Authority issued \$137,550,000 in revenue bonds to refund the following bonds: refunded the remaining \$30,465,000 of the 2011 Variable Rate Bonds, refunded \$3,025,000 of the 2011 Fixed Rate Bonds, refunded \$19,205,000 of the 2012 Revenue Bonds, and refunded \$4,680,000 of the 2013 Revenue Bonds. The Authority and the County have entered into a Lease Contract. The County's obligations under the Lease are absolute and unconditional and are secured by a pledge of the net revenues of the System and by a pledge of the County's full faith and credit. In the event revenues from the system are not available, the County has agreed to levy a tax on all taxable property located within the territorial limits of the Special Tax District, at such rates, without limitation, as may be necessary to make the Lease Payments. The bonds, which bear interest at rates from 3.0% to 5.00%, mature April 1, 2049. As of December 31, 2019, the amount currently outstanding is \$137,550,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds (Continued). Series 2011 Fixed Rate Water and Sewer Revenue Bonds – In March 2011, the County Water and Sewerage Authority issued \$28,480,000 in revenue bonds to refund the remaining \$1,420,000 in aggregate principal amount of the Series 1998 Bonds maturing April 1, 2009 through 2015, and to refund the remaining \$28,360,000 in aggregate principal amount of the Series 2001 Bonds, maturing April 1, 2009 through 2025. The Authority and the County have entered into a Lease Contract. The County's obligations under the Lease are absolute and unconditional and are secured by a pledge of the net revenues of the System and by a pledge of the County's full faith and credit. In the event revenues from the system are not available, the County has agreed to levy a tax on all taxable property located within the territorial limits of the Special Tax District, at such rates, without limitation, as may be necessary to make the Lease Payments. The bonds, which bear interest at rates from 2.0% to 5.00%, mature April 1, 2025. As of December 31, 2019, the current outstanding amount of debt considered legally defeased for the 2011 Fixed Rate Bonds equals \$3,025,000. As of December 31, 2019, the amount currently outstanding for the 2011 Fixed rate bonds is \$13,275,000.

Series 2011 Variable Series Water and Sewer Revenue Bonds – In March 2011, the County Water and Sewerage Authority issued \$30,465,000 in revenue bonds to refund the remaining \$30,320,000 in aggregate principal amount of the Series 2005B Bonds maturing April 1, 2011 through 2035. The current outstanding amount of debt considered legally defeased equals \$30,320,000 for the 2005 B Bonds and \$30,465,000 for the 2011 Variable Rate Bonds as of December 31, 2019.

Series 2012 Water and Sewer Revenue Bonds – In March 2012, the County Water and Sewerage Authority issued \$27,195,000 in revenue bonds to refund the remaining \$30,000,000 in aggregate principal amount of the Series 2002 Bonds maturing April 1, 2004 through 2032. The Authority and the County have entered into a Lease Contract. The County's obligations under the Lease are absolute and unconditional and are secured by a pledge of the net revenues of the System and by a pledge of the County's full faith and credit. In the event revenues from the system are not available, the County has agreed to levy a tax on all taxable property located within the territorial limits of the Special Tax District, at such rates, without limitation, as may be necessary to make the Lease Payments. The bonds, which bear interest at rates from 2.0% to 5.0%, mature April 1, 2032. As of December 31, 2019, the current outstanding amount of debt considered legally defeased for the 2012 Bonds equals \$19,205,000. As of December 31, 2019, the amount not considered defeased currently outstanding is \$7,270,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds (Continued). Series 2013 Water and Sewer Revenue Bonds – In April 2013, the County Water and Sewerage Authority issued \$27,435,000 in revenue bonds to refund \$13,070,000 of the Series 2005A and \$15,690,000 of the Series 2007 Bonds. The County has determined the refunding will reduce the Authority's debt service payments by \$2,309,622 on an aggregate basis and a net present savings of \$1,988,223. The Authority and the County have entered into a Lease Contract. The County's obligations under the Lease are absolute and unconditional and are secured by a pledge of the net revenues of the System and by a pledge of the County's full faith and credit. In the event revenues from the system are not available, the County has agreed to levy a tax on all taxable property located within the territorial limits of the Special Tax District, at such rates, without limitation, as may be necessary to make the Lease Payments. The bonds, which bear interest at rates from 2.0% to 5.0%, mature April 1, 2032. As of December 31, 2019, the current outstanding amount of debt considered legally defeased for the 2013 Bonds equals \$4,680,000. As of December 31, 2019, the amount not considered defeased currently outstanding is \$18,585,000.

Series 2015 Water and Sewer Revenue Bonds – In March 2015, the County Water and Sewerage Authority issued \$75,665,000 in revenue bonds to refund \$935,000 of the Series 2005A Bonds, \$23,735,000 of the Series 2007 Bonds, and to finance expansion of the County's water and sewerage system. The County has determined the refunding will reduce the Authority's debt service payments by \$4,083,177 on an aggregate basis and a net present savings of \$3,073,758. The Authority and the County have entered into a Lease Contract. The County's obligations under the Lease are absolute and unconditional and are secured by a pledge of the net revenues of the System and by a pledge of the County's full faith and credit. In the event revenues from the system are not available, the County has agreed to levy a tax on all taxable property located within the territorial limits of the Special Tax District, at such rates, without limitation, as may be necessary to make the Lease Payments. The bonds, which bear interest at rates from 3.0% to 5.0%, mature April 1, 2044. At December 31, 2019, \$38,185,000 of the defeased 2007 Bonds remain outstanding. As of December 31, 2019, the amount currently outstanding for the 2015 Bonds is \$69,830,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds (Continued). The County's debt service requirements to maturity on its outstanding revenue bonds are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 5,920,000	\$ 8,968,846	\$ 14,888,846
2021	6,185,000	9,614,800	15,799,800
2022	6,450,000	9,336,350	15,786,350
2023	6,750,000	9,045,950	15,795,950
2024	7,040,000	8,736,000	15,776,000
2025-2029	39,700,000	38,111,925	77,811,925
2030-2034	49,825,000	27,525,775	77,350,775
2035-2039	38,090,000	17,778,750	55,868,750
2040-2044	39,655,000	10,845,975	50,500,975
2045-2049	46,895,000	3,601,425	50,496,425
Total	<u>\$ 246,510,000</u>	<u>\$ 143,565,796</u>	<u>\$ 390,075,796</u>

In October 2019, the County Water and Sewerage Authority transferred \$30,700,959 to an escrow agent to purchase US Treasury State and Local Government Series Securities in order to defease the remaining \$3,025,000, \$19,205,000 and \$4,680,000 of the Series 2011, Series 2012, and Series 2013, respectively, maturing April 1, 2025 through 2032. The bonds were defeased for future cash flow savings. At December 31, 2019, \$3,025,000, \$19,205,000 and \$4,680,000 of the defeased Series 2011 Bonds, Series 2012 Bonds and series 2013 Bonds, respectively, remain outstanding.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Notes Payable from Direct Borrowings. In 2011, the County entered into a direct borrowing agreement with the Georgia Environmental Finance Authority to finance the construction of various water and sewer projects. The agreements were originally executed for \$6,703,496, with interest rates of 3.0%. The agreements are paid each month beginning November 1, 2012 through September 1, 2038.

In 2014, the County entered into a direct borrowing agreement with the Georgia Environmental Finance Authority to finance the construction of various water and sewer projects for \$800,000, with an interest rate of 1.0%. Principal and interest payments are due at the beginning of each month beginning October 1, 2018 through September 1, 2038.

The debt service requirements to maturity are as follows:

Year ending December 31,	Principal	Interest	Total
2020	\$ 335,326	\$ 158,159	\$ 493,485
2021	344,776	148,709	493,485
2022	353,250	138,980	492,230
2023	356,850	129,103	485,953
2024	366,932	119,021	485,953
2025-2029	1,996,673	433,092	2,429,765
2030-2034	2,000,478	134,752	2,135,230
2035-2039	162,430	3,132	165,562
Total	<u>\$ 5,916,715</u>	<u>\$ 1,264,948</u>	<u>\$ 7,181,663</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Landfill postclosure costs. Effective July 14, 1999, the Forsyth County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of December 31, 2019, the County has 14 years of monitoring remaining. Engineering studies estimate postclosure costs of approximately \$980,000 over the 14-year period. These costs are based on what it would cost to perform all postclosure care in 2019, adjusted annually for the remaining period. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

B. Discretely Presented Component Unit – Public Facilities Authority

Debt activity for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Revenue bonds	\$ 22,920,000	\$ -	\$ (1,290,000)	\$ 21,630,000	\$ 1,355,000
Original issue premium	<u>3,812,140</u>	<u>-</u>	<u>(535,481)</u>	<u>3,276,659</u>	<u>-</u>
Total revenue bonds payable, net	<u>\$ 26,732,140</u>	<u>\$ -</u>	<u>\$ (1,825,481)</u>	<u>\$ 24,906,659</u>	<u>\$ 1,355,000</u>

Revenue Bonds. On July 1, 2016, the Forsyth County Public Facilities Authority (the “PFA”) issued Revenue Bonds (Forsyth County School District Project), Series 2016 in the aggregate principal amount of \$25,320,000. The proceeds from the sale of the Series 2016 bonds were used for the purpose of (a) financing the acquisition, construction and equipping of a high school and (b) paying the costs of issuing the bonds.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Public Facilities Authority (Continued)

Revenue Bonds (Continued). The Series 2016 bonds are limited obligations of the PFA payable solely from amounts paid to the PFA pursuant to an intergovernmental contract, dated as of July 1, 2016, between the PFA and the Forsyth County School District (the “District”). Under the contract, the PFA agreed to issue the Series 2016 bonds and remit payment of the proceeds from the sale of the bonds to the District. This payment to the District totaled \$30,000,000 when the proceeds from the bonds (less the costs of issuance) were combined with the original issue premium of \$4,973,992. The District has agreed to (a) acquire, construct, equip and operate the high school, (b) pay the PFA amounts sufficient to enable the PFA to pay the debt service on the Series 2016 bonds, and (c) levy an ad valorem property tax, limited to 20 mills, on all property in the District subject to such tax in order to make the payments to the PFA. Accordingly, the PFA has recorded the outstanding principal balance of the Series 2016 bonds as a receivable from the District.

The bonds bear interest at rates ranging from 2.0% - 5.0% and interest payments are due on February 1 and August 1 of each year, commencing on February 1, 2017. Principal payments are due annually, also commencing on February 1, 2017 until the bonds mature in 2031. The PFA’s debt service requirements to maturity on the revenue bonds are as follows:

Year ending December 31,	Principal	Interest	Total
2020	\$ 1,355,000	\$ 981,575	\$ 2,336,575
2021	1,425,000	912,075	2,337,075
2022	1,500,000	838,950	2,338,950
2023	1,575,000	762,075	2,337,075
2024	1,655,000	681,325	2,336,325
2025-2029	9,630,000	2,053,575	11,683,575
2030-2032	4,490,000	181,400	4,671,400
Total	<u>\$ 21,630,000</u>	<u>\$ 6,410,975</u>	<u>\$ 28,040,975</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN

Primary Government

Plan Description. The County contributes to the Forsyth County Defined Benefit Pension Plan, which is a single employer public employee retirement system. The plan does not issue a stand-alone report.

The Plan was established by resolution of the Board of Commissioners which grants the authority to establish and amend the Plan to the Administrative Committee, subject to approval and action by the Board of Commissioners. The Administrative Committee is comprised of five (5) members who serve without compensation by the Plan. The members of the Administrative Committee consist of the County's Chief Financial Officer (by position), the Human Resources Director (by position), and three (3) at-large nominations from the Board of Commissioners.

The County created this plan simultaneously with changes to its Defined Contribution Plan (a 401(k) plan). There were a number of senior County employees who would not have been able to accrue adequate benefits for retirement as members of the Defined Contribution Plan. Therefore, the County provided the Defined Benefit Plan for a specific group of employees. This group, to be eligible, was required to have 10 years of continuous service as of December 31, 2000. The Plan is closed to new entrants. Participants become eligible to retire when they are 65 and have 10 years of continuous service or achieve a combination of years of service and age equal to 75 or greater. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.5% of Average Annual Compensation for each year of service. The Plan also provides benefits in the event of death or disability.

As of January 1, 2019, the most recent actuarial valuation date, the plan membership included the following categories of participants:

Retirees and beneficiaries receiving benefits	55
Terminated vested participants not yet receiving benefits	3
Active participants	21
	<u>79</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Plan Description (Continued). The Plan's financial statements are prepared on an accrual basis, which include unrealized gains or losses on marketable securities owned by the Plan. Investments in securities are valued at current market prices. The trust fund is invested in various fixed income and equity mutual funds, along with money market funds. All of these investments are handled through Evergreen Investments, which is the asset management division of Wells Fargo & Company.

Contributions. A resolution by the Board of Commissioners grants the authority to establish and amend the contributions requirements of the County and active plan members to the Plan's Administrative Committee, subject to Board of Commissioners approval. The Board establishes rates based on an actuarially determined 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 December 31, 2019, the County's contribution rate was 61.6 percent of annual payroll. The Plan participants are not required to contribute to the plan.

Net Pension Liability of the County. The County's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. An expected total pension liability as of December 31, 2019 was determined using standard roll-forward techniques.

Actuarial Assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases, including inflation	4.00%
Investment rate of return	6.02%, including inflation, net of investment expense

Mortality rates were based upon the sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA. Future generational improvements in mortality have not been reflected.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Actuarial Assumptions (Continued). The Plan's actuaries have not performed an experience study as the plan was closed to new entrants as of December 31, 2000.

The long-term expected rate of return on pension plan investments was determined using a building-block method 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
Domestic large cap	42.4%	5.29%
Mid cap blend	11.2%	5.87
Small cap blend	6.4%	6.05
Fixed income	37.0%	0.62
Cash	3.0%	—
Total	100%	

Discount rate. The discount rate used to measure the total pension liability was 6.02%. This was a decrease from the prior year's discount rate, which was 6.90%. 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 County 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 of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

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 December 31, 2019 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2018	\$ 20,808,884	\$ 16,156,483	\$ 4,652,401
Changes for the year:			
Service cost	173,642	-	173,642
Interest	1,227,351	-	1,227,351
Differences between expected and actual experience	(112,953)	-	(112,953)
Changes in assumptions	1,994,675		1,994,675
Contributions—employer	-	1,000,000	(1,000,000)
Net investment income	-	3,349,270	(3,349,270)
Benefit payments, including refunds of employee contributions	(1,106,799)	(1,106,799)	-
Administrative expense	-	(61,012)	61,012
Net changes	2,175,916	3,181,459	(1,005,543)
Balances at 12/31/2019	\$ 22,984,800	\$ 19,337,942	\$ 3,646,858

As of December 31, 2019, the Plan's fiduciary net position as a percentage of the total pension liability is 84.1%.

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 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 table presents the net pension liability of the County, calculated using the discount rate of 6.02%, 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 (5.02%) or 1-percentage-point higher (7.02%) than the current rate:

1% Decrease (5.02%)	Current Discount Rate (6.02%)	1% Increase (7.02%)
\$ 6,306,036	\$ 3,646,858	\$ 1,404,860

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Primary Government (Continued)

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 a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2019 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources Related to Pensions. For the year ended December 31, 2019, the County recognized pension expense of \$1,974,066. At December 31, 2019, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 166,259	\$ 46,510
Changes in assumptions	1,204,973	-
Net difference between projected and actual earnings on pension plan investments	-	1,391,852
Total	\$ 1,371,232	\$ 1,438,362

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:		
2020		\$ 533,389
2021		(161,495)
2022		24,460
2023		(463,484)
Total		\$ (67,130)

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED CONTRIBUTION PLAN

The County has a 401(k) tax qualified defined contribution plan (The Forsyth County Profit Sharing Plan administered by Diversified Investment Advisors) as a retirement program for eligible employees. As of December 31, 2019, there were 1,517 plan members. The plan issues a stand-alone report. This report may be obtained from: Diversified Investment Advisors, 4333 Edgewood Road NE, Cedar Rapids, IA 52499. The plan is voluntary and the County matches 100% of the employee's contribution up to a maximum of 3% of their salary. After 10 years of service, the County will match 50% of an employee's contribution of up to an additional 3%. In addition, after three years of service, the County contributes 3% of an employee's pensionable earnings to the plan regardless of whether the employee contributes. For the year ended December 31, 2019, employee contributions were \$5,671,726 and County contributions, which was also the County's pension expense, were \$6,520,410. County contributions are vested over a five-year period at 20% per year. The investments are self-directed by the employee. The plan was established by resolution of the Board of Commissioners. It may also be amended by resolution of same. There were no employer liabilities as of December 31, 2019.

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS

Plan Administration and Benefits. The County, as authorized by the County Commission, administers a single-employer defined benefit Postemployment Healthcare Benefits Plan (the "PHCB Plan"). The PHCB Plan is administered by the County management, under the direction of the County's Board of Commissioners. The County pays an explicit subsidy equal to the difference between the claims incurred (for the Aetna plans) or the monthly premium charged by the insurance carrier (for the Kaiser and vision plans). To be eligible for these benefits, the employee's age plus years of service must equal to at least seventy-five (75) or be aged sixty (60) years with at least five years of service. The County's Board of Commissioners established and may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the PHCB Plan.

Plan Membership. Membership of the PHCB Plan consisted of the following at January 1, 2018, the date of the latest actuarial valuation:

Active participants	1,084
Retirees and beneficiaries currently receiving benefits	31
Total	<u>1,115</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions. The Board of Commissioners has elected to fund the PHCB plan on a “pay as you go” basis. Plan members, once retired, contribute to the plan based on number of years of creditable service. Per a County resolution, the County is required to contribute the current year benefit costs of the Plan which are not paid by the retiree. For the year ended December 31, 2019, the County contributed \$524,261 for the pay as you go benefits for the PHCB Plan.

The County’s total OPEB liability was measured as of December 31, 2019 and was determined by an actuarial valuation as of January 1, 2018 with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.26%
Healthcare Cost Trend Rate:	8.00% - 5.00%, Ultimate Trend in 2024
Inflation Rate:	Not available
Salary increase:	3.25% including inflation
Participation rate:	Not available

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

Discount rate. The discount rate used to measure the total OPEB liability was 3.26%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.26% as determined by the Bond Buyer 20-Bond GO Index Rate as of December 31, 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability of the County. The changes in the total OPEB liability of the County for the year ended December 31, 2019, were as follows:

	Total OPEB Liability (a)
Balances at 12/31/18	\$ 5,668,552
Changes for the year:	
Service cost	305,765
Interest	186,286
Assumption changes	167,429
Benefit payments	(524,261)
Net changes	135,219
Balances at 12/31/19	\$ 5,803,771

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current discount rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	\$ 6,259,443	\$ 5,803,771	\$ 5,390,947

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7% decreasing to 4%) or 1-percentage-point higher (9% decreasing to 6%) than the current healthcare cost trend rates:

	1% Decrease (7% decreasing to 4%)	Healthcare Rate (8% decreasing to 5%)	1% Increase (9% decreasing to 6%)
Total OPEB liability	\$ 5,191,437	\$ 5,803,771	\$ 6,528,739

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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 December 31, 2019 and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2019, the County recognized OPEB expense of \$14,530. At December 31, 2019, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Changes in plan assumptions	\$ 149,749
Total	\$ 149,749

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31:		
2020	\$	17,680
2021		17,680
2022		17,680
2023		17,680
2024		17,680
Thereafter		61,349
	\$	149,749

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents. Settlements have not exceeded insurance coverage in each of the past three years.

Medical Self-Insurance

The County provides health coverage for its employees under a plan of partial self-insurance. Under this plan, the County covers claim settlements and judgments out of its Employee Health Benefits Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The County purchases commercial insurance for claims in excess of coverage provided by the County. During the year ended December 31, 2019, excess coverage was obtained for any individual claim in excess of \$125,000. The County pays most of the coverage for eligible employees and their dependents. Employee contributions are used to pay claims and expenses of the plan incurred during the year. Liabilities include an amount for claims that have been incurred but not reported (IBNRs).

The following describes the activity for the past two fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2019	\$ 3,396,884	\$ 23,041,235	\$ 23,739,136	\$ 2,698,983
2018	2,647,090	22,754,776	22,004,982	3,396,884

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT (CONTINUED)

Workers' Compensation

The County provides workers' compensation coverage for its employees under a plan of partial self-insurance. Under this plan, the County covers claim settlements and judgments out of its Workers' Compensation Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The County has purchased commercial insurance for claims in excess of coverage provided by the County. During the year ended December 31, 2019, excess coverage was obtained for any individual claims in excess of \$325,000. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Settled claims have not exceeded the County's additional coverage in any of the past three (3) periods.

The following describes the activity for the past two fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2019	\$ 1,260,000	\$ 1,074,029	\$ 1,014,029	\$ 1,320,000
2018	1,140,000	1,195,393	1,075,393	1,260,000

General Liability

The County participates in the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA), a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT (CONTINUED)

General Liability (Continued)

As part of the risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The County participates in the large deductible option with a \$50,000 deductible. Under this plan, Forsyth County is responsible for all payments up to \$50,000 per occurrence on general liability claims. Once an individual claim exceeds the deductible, the plan will pay all costs in excess of the deductible. As of December 31, 2019, an actuary determined that an estimated \$499,036 in reported unpaid claims and incurred but not reported claims were outstanding relating to fiscal year 2019 for which Forsyth County will be liable.

The following describes the activity for the past two fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2019	\$ 890,000	\$ 1,879,691	\$ 1,649,691	\$ 1,120,000
2018	740,000	2,409,821	2,259,821	890,000

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENCIES

Contractual Commitments

In addition to the liabilities enumerated in the balance sheet, at December 31, 2019, the County has contractual commitments on uncompleted contracts of approximately \$32,813,706.

Litigation

The County is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions arising in the course of County operations. Although the outcome of these cases is not presently determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Grant Contingencies

The County has 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, County management believes such disallowances, if any, will not be significant.

NOTE 14. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Georgia Mountain Regional Commission and is required to pay annual dues thereto. During the year ended December 31, 2019, the County paid \$246,937 in such dues. Membership in the Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Commission in Georgia.

The Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the Commission. Separate financial statements may be obtained from:

Georgia Mountain Regional Commission
P.O. Box 1720
Gainesville, GA 30503

NOTES TO FINANCIAL STATEMENTS

NOTE 15. HOTEL/MOTEL TAX

The County has levied a 5% lodging tax. During the year ended December 31, 2019, the County collected \$595,472 in revenues. Of this amount \$595,472 or 100.0%, was expended on the promotion of tourism in accordance with the provisions of O.C.G.A. 48-13-51.

NOTE 16. RESTATEMENTS

Change in Accounting Principle

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

	Fiduciary Activities
Net Position, custodial activities, as previously reported	\$ -
Recognition of the beginning net position of the former Agency Funds now reported as Custodial Funds	3,075,636
Net Position, custodial activities, as restated	\$ 3,075,636

Restatement

The Forsyth County Library has determined a restatement to the beginning net position is required in order to properly report accumulated depreciation as of June 30, 2018.

The adjustment required a change to beginning net position of governmental activities as follows:

	Governmental Activites
Net position, governemntal activities, as previously reported	\$ (3,463,043)
Restatement to correct accumulated depreciation	1,815,639
Net Position, governmental activities, as restated	\$ (1,647,404)

REQUIRED SUPPLEMENTARY INFORMATION



FORSYTH COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 105,759,313	\$ 106,684,489	\$ 112,057,305	\$ 5,372,816
Licenses and permits	7,854,000	7,854,000	7,187,789	(666,211)
Intergovernmental	442,000	442,000	481,792	39,792
Fines and forfeitures	2,508,400	2,417,900	2,628,404	210,504
Charges for services	16,996,762	16,996,762	17,627,575	630,813
Interest income	600,000	600,000	2,636,523	2,036,523
Contributions	4,500	13,000	14,278	1,278
Miscellaneous	1,348,413	1,438,413	946,824	(491,589)
Total revenues	<u>135,513,388</u>	<u>136,446,564</u>	<u>143,580,490</u>	<u>7,133,926</u>
Expenditures:				
Current:				
General government:				
Board of commissioners	424,944	424,944	410,196	14,748
Administration	2,186,160	2,587,510	2,473,007	114,503
Voter registration	1,097,774	1,109,267	566,675	542,592
Finance	1,521,441	1,579,815	1,571,782	8,033
Payroll	332,193	303,741	261,679	42,062
Procurement	918,642	943,292	821,790	121,502
Information system and technology	4,260,426	4,417,242	4,217,571	199,671
GIS	1,300,484	1,321,829	1,172,565	149,264
Personnel services	1,047,027	1,055,004	857,093	197,911
Tax commissioner	4,225,925	4,313,873	4,164,655	149,218
Tax assessor	3,331,691	3,405,169	3,248,528	156,641
Records management	1,230,290	1,228,557	1,210,656	17,901
Public facilities	5,701,897	5,807,029	5,775,915	31,114
Other	7,355,654	6,472,544	3,045,263	3,427,281
Total general government	<u>34,934,548</u>	<u>34,969,816</u>	<u>29,797,375</u>	<u>5,172,441</u>
Judicial:				
Judicial administration	714,963	724,544	713,815	10,729
Superior court	671,343	672,992	614,792	58,200
Clerk superior court	3,348,175	3,386,512	2,915,720	470,792
District attorney	932,721	955,394	943,075	12,319
State court	1,150,673	1,154,713	1,095,316	59,397
Magistrate court	1,293,006	1,312,516	1,299,731	12,785
Probate court	1,247,281	1,272,630	1,190,029	82,601
Juvenile court	2,241,610	2,259,245	1,939,668	319,577
Solicitor-state court	1,870,906	1,926,921	1,817,374	109,547
Indigent defense	1,575,804	1,752,926	1,744,719	8,207
Pretrial services	278,284	280,507	229,129	51,378
Total judicial	<u>15,324,766</u>	<u>15,698,900</u>	<u>14,503,368</u>	<u>1,195,532</u>
Public safety:				
Sheriff's office	47,875,082	48,849,712	47,565,293	1,284,419
Ambulance services	911,550	911,586	911,586	-
Dispatchers	407,230	412,400	369,647	42,753
Emergency management	206,992	212,110	211,650	460
Coroner and medical examiner	229,276	229,276	187,143	42,133
Animal shelter	1,206,308	1,228,896	1,112,903	115,993
Total public safety	<u>50,836,438</u>	<u>51,843,980</u>	<u>50,358,222</u>	<u>1,485,758</u>
Public works:				
Fleet maintenance	155,733	432,444	431,568	876
Total public works	<u>155,733</u>	<u>432,444</u>	<u>431,568</u>	<u>876</u>

(Continued)

FORSYTH COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures: (Continued)				
Health and welfare:				
Health department	\$ 150,800	\$ 150,800	\$ 149,236	\$ 1,564
Senior citizens center	1,945,557	2,119,724	1,935,504	184,220
Community service	13,100	13,100	2,548	10,552
Total health and welfare	<u>2,109,457</u>	<u>2,283,624</u>	<u>2,087,288</u>	<u>196,336</u>
Culture and recreation:				
Parks and recreation	10,098,545	10,176,034	9,980,340	195,694
Library	6,760,404	6,760,404	6,745,252	15,152
Total culture and recreation	<u>16,858,949</u>	<u>16,936,438</u>	<u>16,725,592</u>	<u>210,846</u>
Housing and development:				
Conservation	115,512	115,512	110,606	4,906
Planning and community development	6,639,420	7,560,302	6,252,228	1,308,074
Code enforcement	839,824	902,535	856,921	45,614
County agent	450,000	350,000	350,000	-
Economic development	500	500	455	45
Total housing and development	<u>8,045,256</u>	<u>8,928,849</u>	<u>7,570,210</u>	<u>1,358,639</u>
Total expenditures	<u>128,265,147</u>	<u>131,094,051</u>	<u>121,473,623</u>	<u>9,620,428</u>
Excess of revenues over expenditures	7,248,241	5,352,513	22,106,867	16,754,354
Other financing sources (uses):				
Proceeds from sale of capital assets	75,000	75,000	95,763	20,763
Transfers in	2,350,000	3,030,000	2,406,542	(623,458)
Transfers out	(9,673,241)	(20,160,539)	(20,097,187)	63,352
Total other financing sources (uses)	<u>(7,248,241)</u>	<u>(17,055,539)</u>	<u>(17,594,882)</u>	<u>(539,343)</u>
Net change in fund balances	-	(11,703,026)	4,511,985	16,215,011
Fund balances, beginning of year	<u>56,997,433</u>	<u>56,997,433</u>	<u>56,997,433</u>	<u>-</u>
Fund balances, end of year	<u>\$ 56,997,433</u>	<u>\$ 45,294,407</u>	<u>\$ 61,509,418</u>	<u>\$ 16,215,011</u>

FORSYTH COUNTY, GEORGIA
FIRE DISTRICT FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 23,867,626	\$ 23,867,626	\$ 23,953,942	\$ 86,316
Intergovernmental	-	-	2,530	2,530
Interest income	35,000	35,000	337,727	302,727
Miscellaneous	44,500	530,677	530,100	(577)
Total revenues	<u>23,950,126</u>	<u>24,436,303</u>	<u>24,824,299</u>	<u>387,996</u>
Expenditures:				
Current:				
Public safety	24,353,208	25,190,294	24,222,556	967,738
Total expenditures	<u>24,353,208</u>	<u>25,190,294</u>	<u>24,222,556</u>	<u>967,738</u>
Excess (deficiency) of revenues over expenditures	(403,082)	(753,991)	601,743	1,355,734
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	2,600	2,600
Transfers in	-	50,000	-	(50,000)
Transfers out	(223,524)	(296,524)	(212,831)	83,693
Total other financing sources (uses)	<u>(223,524)</u>	<u>(246,524)</u>	<u>(210,231)</u>	<u>36,293</u>
Net changes in fund balances	(626,606)	(1,000,515)	391,512	1,392,027
Fund balances, beginning of year	<u>7,252,239</u>	<u>7,252,239</u>	<u>7,252,239</u>	<u>-</u>
Fund balances, end of year	<u>\$ 6,625,633</u>	<u>\$ 6,251,724</u>	<u>\$ 7,643,751</u>	<u>\$ 1,392,027</u>

FORSYTH COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
OPEB RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY
AND RELATED RATIOS

	<u>2019</u>	<u>2018</u>
Total OPEB liability		
Service cost	\$ 305,765	\$ 288,533
Interest on total OPEB liability	186,286	209,187
Benefit payments	(524,261)	(569,942)
Assumption changes	<u>167,429</u>	<u>-</u>
Net change in total OPEB liability	135,219	(72,222)
Total OPEB liability - beginning	<u>5,668,552</u>	<u>5,740,774</u>
Total OPEB liability - ending	<u>\$ 5,803,771</u>	<u>\$ 5,668,552</u>
Covered payroll	\$ 86,422,316	\$ 78,422,256
Total OPEB liability as a percentage of covered payroll	6.7%	7.2%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

FORSYTH COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
AND RELATED RATIOS

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 173,642	\$ 144,052	\$ 153,508	\$ 191,249	\$ 210,781	\$ 195,813
Interest on total pension liability	1,227,351	1,296,817	1,342,712	1,293,085	1,177,655	1,228,732
Differences between expected and actual experience	(112,953)	478,588	(1,024,769)	237,513	159,510	-
Changes in assumptions	1,994,675	750,037	-	-	1,071,161	-
Benefit payments, including refunds of employee contributions	(1,106,799)	(1,090,880)	(1,060,702)	(940,744)	(886,675)	(802,177)
Net change in total pension liability	<u>2,175,916</u>	<u>1,578,614</u>	<u>(589,251)</u>	<u>781,103</u>	<u>1,732,432</u>	<u>622,368</u>
Total pension liability - beginning	<u>20,808,884</u>	<u>19,230,270</u>	<u>19,819,521</u>	<u>19,038,418</u>	<u>17,305,986</u>	<u>16,683,618</u>
Total pension liability - ending (a)	<u>\$ 22,984,800</u>	<u>\$ 20,808,884</u>	<u>\$ 19,230,270</u>	<u>\$ 19,819,521</u>	<u>\$ 19,038,418</u>	<u>\$ 17,305,986</u>
Plan fiduciary net position						
Contributions - employer	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 900,000	\$ 1,000,000
Net investment income (loss)	3,288,258	(619,911)	2,062,163	1,278,960	13,832	991,813
Benefit payments, including refunds of member contributions	(1,106,799)	(1,090,880)	(1,060,702)	(940,744)	(886,675)	(802,177)
Net change in plan fiduciary net position	<u>3,181,459</u>	<u>(710,791)</u>	<u>2,001,461</u>	<u>1,338,216</u>	<u>27,157</u>	<u>1,189,636</u>
Plan fiduciary net position - beginning	<u>16,156,483</u>	<u>16,867,274</u>	<u>14,865,813</u>	<u>13,527,597</u>	<u>13,500,440</u>	<u>12,310,804</u>
Plan fiduciary net position - ending (b)	<u>\$ 19,337,942</u>	<u>\$ 16,156,483</u>	<u>\$ 16,867,274</u>	<u>\$ 14,865,813</u>	<u>\$ 13,527,597</u>	<u>\$ 13,500,440</u>
County's net pension liability - ending (a) - (b)	<u>\$ 3,646,858</u>	<u>\$ 4,652,401</u>	<u>\$ 2,362,996</u>	<u>\$ 4,953,708</u>	<u>\$ 5,510,821</u>	<u>\$ 3,805,546</u>
Plan fiduciary net position as a percentage of the total pension liability	84.1%	77.6%	87.7%	75.0%	71.1%	78.0%
Covered payroll	\$ 1,623,352	\$ 1,657,916	\$ 1,809,638	\$ 2,129,390	\$ 2,189,987	\$ 2,462,389
Net pension liability as a percentage of covered payroll	224.6%	280.6%	130.6%	232.6%	251.6%	154.5%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

FORSYTH COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF COUNTY CONTRIBUTIONS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 900,000
Contributions in relation to the actuarially determined contribution	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>900,000</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,623,352	\$ 1,657,916	\$ 1,809,638	\$ 2,129,390	\$ 2,189,987
Contributions as a percentage of covered payroll	61.6%	60.3%	55.3%	47.0%	41.1%
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarially determined contribution	\$ 1,000,000	\$ 847,220	\$ 1,000,000	\$ 1,000,000	\$ 1,200,000
Contributions in relation to the actuarially determined contribution	<u>1,000,000</u>	<u>847,220</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,200,000</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,462,389	\$ 2,924,601	\$ 2,877,352	\$ 2,775,052	\$ 3,087,294
Contributions as a percentage of covered payroll	40.6%	29.0%	34.8%	36.0%	38.9%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	January 1, 2019
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Market value
Assumed Rate of Return on Investments	6.02%
Projected Salary Increases	4.00%, which includes 1.50% due to merit and 2.50% for inflation
Cost-of-living Adjustment	None
Amortization Method	Level dollar for unfunded liability
Remaining Amortization Period	30 years (open)

FORSYTH COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF PENSION INVESTMENT RETURNS

	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	18.53%	-3.75%	13.00%
	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	9.01%	0.10%	7.69%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Victims Rights & Assistance Fund - to account for funds collected from fines and forfeitures that are used to assist victims of crime. The allowable expenditures of these fines are restricted under state law.

Drug Abuse Treatment & Education Fund - to account for funds collected from fines and forfeitures to be used to create and maintain a Drug Abuse Treatment and Education Fund. The allowable expenditures of these fines are restricted under state law.

Emergency 911 Telephone System Fund - to account for the monthly 911 charge to help fund the cost of providing emergency 911 services. The E911 charges are restricted in purpose by state law.

Sheriff's Law Enforcement Fund - to account for funds from seizures, which are restricted by state law, to be used for law enforcement activities.

District Attorney Seizure Fund - to account for funds received through seizures, which are restricted by state law, to be used for activities within the District Attorney's office.

Law Library Fund - to account for the revenues and related expenditures of operating the County's Law Library. The allowable expenditures of these fines are restricted under state law.

Juvenile Court Fund - to account for funds from fines and forfeitures to be used for law enforcement activities. The allowable expenditures of these fines are restricted under state law.

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

Insurance Premium Tax Fund - to account for the insurance premium tax and the expenditures related to the tax. Revenues generated from this tax are restricted for the benefit of providing services primarily provided to unincorporated areas of the County, as restricted by State Law.

County Jail Fund - to account for funds collected from fines and forfeitures that are used to operate the County's Jail Facility.

Hotel/Motel Tax Fund - to account for the collection of hotel/motel taxes within the County and for the expenditures made distributing the collections to the appropriate entities. These taxes are restricted by state law on how they can be expended.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

The **Capital Projects Fund** - to account for financial resources to be used for the acquisition and construction of major capital projects.

The **Impact Fees Fund** - to account for impact fees restricted for the acquisition or construction of specific capital projects.

Debt Service Fund

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

FORSYTH COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Special Revenue Funds							
	Victims Rights & Assistance Fund	Drug Abuse Treatment & Education Fund	Emergency 911 Telephone System Fund	Sheriff's Law Enforcement Fund	District Attorney Seizure Fund	Law Library Fund	Juvenile Court Fund	Grant Fund
ASSETS								
Cash and cash equivalents	\$ 16,808	\$ 454,826	\$ 2,635,340	\$ 868,945	\$ 95,544	\$ 109,667	\$ 18,610	\$ 687,203
Receivables, net of allowance for uncollectibles	-	-	911,438	-	-	15,199	-	182,599
Taxes receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	1,260	467	-	-	-	-	-	1,137,916
Prepaid items	11	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Restricted assets:								
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-
Total assets	\$ 18,079	\$ 455,293	\$ 3,546,778	\$ 868,945	\$ 95,544	\$ 124,866	\$ 18,610	\$ 2,007,718
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 528	\$ 40,172	\$ 1,063	\$ 1,694	\$ -	\$ -	\$ -	\$ 1,488,510
Due to other funds	-	-	-	-	-	18,000	-	-
Advances from other funds	-	-	167,726	-	-	-	-	-
Total liabilities	528	40,172	168,789	1,694	-	18,000	-	1,488,510
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-	-	-	885,382
Deferred revenue - property taxes	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	885,382
FUND BALANCES								
Nonspendable:								
Prepaid items	11	-	-	-	-	-	-	-
Restricted:								
Crime victims' assistance	17,540	-	-	-	-	-	-	-
Law enforcement activities	-	415,121	-	867,251	95,544	-	18,610	-
Law library operations	-	-	-	-	-	106,866	-	-
Emergency 911 services	-	-	3,377,989	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Assigned:								
Capital projects	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(366,174)
Total fund balances	17,551	415,121	3,377,989	867,251	95,544	106,866	18,610	(366,174)
Total liabilities, deferred inflows of resources and fund balances	\$ 18,079	\$ 455,293	\$ 3,546,778	\$ 868,945	\$ 95,544	\$ 124,866	\$ 18,610	\$ 2,007,718

Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds
Insurance Premium Tax Fund	County Jail Fund	Hotel/Motel Tax Fund	Capital Projects Fund	Impact Fees Fund	Debt Service	
\$ 5,982,099	\$ 714,319	\$ 46,092	\$ 28,126,615	\$ 21,634,824	\$ 27,697,704	\$ 89,088,596
1,804	2,510	-	38,597	-	-	1,152,147
-	-	42,955	-	-	474,228	517,183
-	-	-	-	-	-	1,139,643
-	-	-	-	850,000	-	11
-	-	-	4,693,626	-	-	850,000
-	-	-	6,872,373	-	-	4,693,626
-	-	-	167,726	-	-	6,872,373
<u>\$ 5,983,903</u>	<u>\$ 716,829</u>	<u>\$ 89,047</u>	<u>\$ 39,898,937</u>	<u>\$ 22,484,824</u>	<u>\$ 28,171,932</u>	<u>\$ 104,481,305</u>
\$ 580,329	\$ 38,270	\$ 89,047	\$ 473,263	\$ 458,958	\$ -	\$ 3,171,834
-	-	-	138,443	191	-	156,634
-	-	-	-	-	-	167,726
<u>580,329</u>	<u>38,270</u>	<u>89,047</u>	<u>611,706</u>	<u>459,149</u>	<u>-</u>	<u>3,496,194</u>
-	-	-	-	-	101,203	101,203
-	-	-	-	-	-	885,382
-	-	-	-	-	<u>13,872,320</u>	<u>13,872,320</u>
-	-	-	-	-	13,973,523	14,858,905
-	-	-	-	-	-	11
-	-	-	-	-	-	17,540
-	678,559	-	-	-	-	2,075,085
-	-	-	-	-	-	106,866
-	-	-	-	-	-	3,377,989
5,403,574	-	-	11,733,725	22,025,675	-	39,162,974
-	-	-	-	-	14,198,409	14,198,409
-	-	-	27,553,506	-	-	27,553,506
-	-	-	-	-	-	(366,174)
<u>5,403,574</u>	<u>678,559</u>	<u>-</u>	<u>39,287,231</u>	<u>22,025,675</u>	<u>14,198,409</u>	<u>86,126,206</u>
<u>\$ 5,983,903</u>	<u>\$ 716,829</u>	<u>\$ 89,047</u>	<u>\$ 39,898,937</u>	<u>\$ 22,484,824</u>	<u>\$ 28,171,932</u>	<u>\$ 104,481,305</u>

FORSYTH COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue Funds							
	Victims Rights & Assistance Fund	Drug Abuse Treatment & Education Fund	Emergency 911 Telephone System Fund	Sheriff's Law Enforcement Fund	District Attorney Seizure Fund	Law Library Fund	Juvenile Court Fund	Grant Fund
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	4,985,052
Fines and forfeitures	125,504	535,050	-	265,480	1,584	107,236	3,575	-
Licenses and permits	-	-	-	-	-	-	-	-
Charges for services	-	-	5,462,660	-	-	-	-	37,734
Interest income	205	8,393	57,150	5,919	-	-	116	-
Contributions and donations	9,735	-	-	2,151	-	-	-	39,195
Miscellaneous	-	-	-	184,968	-	213	-	-
Total revenues	<u>135,444</u>	<u>543,443</u>	<u>5,519,810</u>	<u>458,518</u>	<u>1,584</u>	<u>107,449</u>	<u>3,691</u>	<u>5,061,981</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Judicial	470,482	-	-	-	-	84,802	-	678,119
Public safety	-	554,499	4,791,984	259,802	217	-	-	937,260
Public works	-	-	-	-	-	-	-	3,394,855
Health and welfare	-	-	-	-	-	-	-	1,119,517
Culture and recreation	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	-	-
Intergovernmental expenditures	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	701,813
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>470,482</u>	<u>554,499</u>	<u>4,791,984</u>	<u>259,802</u>	<u>217</u>	<u>84,802</u>	<u>-</u>	<u>6,831,564</u>
Excess (deficiency) of revenues over expenditures	(335,038)	(11,056)	727,826	198,716	1,367	22,647	3,691	(1,769,583)
Other financing sources (uses):								
Proceeds from disposal of capital assets	-	-	-	52,672	-	-	-	-
Transfers in	373,457	-	-	-	-	-	-	936,021
Transfers out	(29,181)	(3,070)	-	-	-	-	-	(152,700)
Total other financing sources (uses)	<u>344,276</u>	<u>(3,070)</u>	<u>-</u>	<u>52,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>783,321</u>
Net change in fund balances	9,238	(14,126)	727,826	251,388	1,367	22,647	3,691	(986,262)
Fund balances, beginning of year	<u>8,313</u>	<u>429,247</u>	<u>2,650,163</u>	<u>615,863</u>	<u>94,177</u>	<u>84,219</u>	<u>14,919</u>	<u>620,088</u>
Fund balances, end of year	<u>\$ 17,551</u>	<u>\$ 415,121</u>	<u>\$ 3,377,989</u>	<u>\$ 867,251</u>	<u>\$ 95,544</u>	<u>\$ 106,866</u>	<u>\$ 18,610</u>	<u>\$ (366,174)</u>

Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds
Insurance Premium Tax Fund	County Jail Fund	Hotel/Motel Tax Fund	Capital Projects Fund	Impact Fees Fund	Debt Service	
\$ 11,754,435	\$ -	\$ 595,472	\$ 74,556	\$ -	\$ 17,894,371	\$ 30,318,834
216,033	-	-	-	-	-	5,201,085
13,996	262,482	-	-	-	-	1,314,907
30,836	-	-	-	-	-	30,836
13	-	-	-	6,561,339	-	12,061,746
68,511	13,730	-	1,097,289	438,554	386,345	2,076,212
-	-	-	166,825	-	-	217,906
11,875	-	-	83,863	-	-	280,919
<u>12,095,699</u>	<u>276,212</u>	<u>595,472</u>	<u>1,422,533</u>	<u>6,999,893</u>	<u>18,280,716</u>	<u>51,502,445</u>
-	-	-	466,718	-	8,498	475,216
-	-	-	10,432	-	-	1,243,835
-	217,864	-	-	-	-	6,761,626
11,515,673	-	-	38,637	-	-	14,949,165
-	-	-	-	-	-	1,119,517
-	-	-	79,932	-	-	79,932
-	-	595,472	-	120,205	-	715,677
-	-	-	-	74,154	-	74,154
479,033	38,598	-	11,636,444	4,555,580	-	17,411,468
-	-	-	2,679,458	-	12,190,000	14,869,458
-	-	-	566,046	-	6,960,439	7,526,485
<u>11,994,706</u>	<u>256,462</u>	<u>595,472</u>	<u>15,477,667</u>	<u>4,749,939</u>	<u>19,158,937</u>	<u>65,226,533</u>
100,993	19,750	-	(14,055,134)	2,249,954	(878,221)	(13,724,088)
-	-	-	-	-	-	52,672
-	-	-	18,598,286	-	-	19,907,764
(350,495)	-	-	-	-	-	(535,446)
<u>(350,495)</u>	<u>-</u>	<u>-</u>	<u>18,598,286</u>	<u>-</u>	<u>-</u>	<u>19,424,990</u>
(249,502)	19,750	-	4,543,152	2,249,954	(878,221)	5,700,902
<u>5,653,076</u>	<u>658,809</u>	<u>-</u>	<u>34,744,079</u>	<u>19,775,721</u>	<u>15,076,630</u>	<u>80,425,304</u>
<u>\$ 5,403,574</u>	<u>\$ 678,559</u>	<u>\$ -</u>	<u>\$ 39,287,231</u>	<u>\$ 22,025,675</u>	<u>\$ 14,198,409</u>	<u>\$ 86,126,206</u>

FORSYTH COUNTY, GEORGIA
VICTIMS RIGHTS & ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 120,000	\$ 120,000	\$ 125,504	\$ 5,504
Contributions	-	9,735	9,735	-
Interest income	-	-	205	205
Total revenues	<u>120,000</u>	<u>129,735</u>	<u>135,444</u>	<u>5,709</u>
Expenditures:				
Current:				
Judicial	<u>437,139</u>	<u>473,874</u>	<u>470,482</u>	<u>3,392</u>
Total expenditures	<u>437,139</u>	<u>473,874</u>	<u>470,482</u>	<u>3,392</u>
Deficiency of revenues over expenditures	(317,139)	(344,139)	(335,038)	9,101
Other financing sources (uses):				
Transfers in	358,457	373,457	373,457	-
Transfers out	<u>(41,318)</u>	<u>(29,318)</u>	<u>(29,181)</u>	<u>137</u>
Total other financing sources (uses)	<u>317,139</u>	<u>344,139</u>	<u>344,276</u>	<u>137</u>
Net changes in fund balances	-	-	9,238	9,238
Fund balances, beginning of year	<u>8,313</u>	<u>8,313</u>	<u>8,313</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,313</u>	<u>\$ 8,313</u>	<u>\$ 17,551</u>	<u>\$ 9,238</u>

**FORSYTH COUNTY, GEORGIA
DRUG ABUSE TREATMENT & EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 521,000	\$ 521,000	\$ 535,050	\$ 14,050
Interest income	-	-	8,393	8,393
Total revenues	<u>521,000</u>	<u>521,000</u>	<u>543,443</u>	<u>22,443</u>
Expenditures:				
Current:				
Public safety	<u>812,219</u>	<u>815,535</u>	<u>554,499</u>	<u>261,036</u>
Total expenditures	<u>812,219</u>	<u>815,535</u>	<u>554,499</u>	<u>261,036</u>
Deficiency of revenues over expenditures	(291,219)	(294,535)	(11,056)	283,479
Other financing uses:				
Transfers out	-	-	(3,070)	(3,070)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(3,070)</u>	<u>(3,070)</u>
Net changes in fund balances	(291,219)	(294,535)	(14,126)	280,409
Fund balances, beginning of year	<u>429,247</u>	<u>429,247</u>	<u>429,247</u>	<u>-</u>
Fund balances, end of year	<u>\$ 138,028</u>	<u>\$ 134,712</u>	<u>\$ 415,121</u>	<u>\$ 280,409</u>

FORSYTH COUNTY, GEORGIA
EMERGENCY 911 TELEPHONE SYSTEM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 4,875,000	\$ 4,875,000	\$ 5,462,660	\$ 587,660
Interest income	18,000	18,000	57,150	39,150
Total revenues	<u>4,893,000</u>	<u>4,893,000</u>	<u>5,519,810</u>	<u>626,810</u>
Expenditures:				
Current:				
Public safety	<u>5,190,237</u>	<u>5,274,137</u>	<u>4,791,984</u>	<u>482,153</u>
Total expenditures	<u>5,190,237</u>	<u>5,274,137</u>	<u>4,791,984</u>	<u>482,153</u>
Excess (deficiency) of revenues over expenditures	<u>(297,237)</u>	<u>(381,137)</u>	<u>727,826</u>	<u>1,108,963</u>
Other financing uses:				
Transfers out	<u>(83,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>(83,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(381,137)	(381,137)	727,826	1,108,963
Fund balances, beginning of year	<u>2,650,163</u>	<u>2,650,163</u>	<u>2,650,163</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,650,163</u>	<u>\$ 2,650,163</u>	<u>\$ 3,377,989</u>	<u>\$ -</u>

FORSYTH COUNTY, GEORGIA
SHERIFF'S LAW ENFORCEMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 184,000	\$ 184,000	\$ 265,480	\$ 81,480
Interest income	1,900	1,900	5,919	4,019
Contributions	12,500	12,500	2,151	(10,349)
Miscellaneous	93,000	113,000	184,968	71,968
Total revenues	<u>291,400</u>	<u>311,400</u>	<u>458,518</u>	<u>147,118</u>
Expenditures:				
Current:				
Public safety	761,200	761,200	259,802	501,398
Total expenditures	<u>761,200</u>	<u>761,200</u>	<u>259,802</u>	<u>501,398</u>
Excess (deficiency) of revenues over expenditures	(469,800)	(449,800)	198,716	648,516
Other financing sources:				
Proceeds from disposal of capital assets	20,000	-	52,672	52,672
Total other financing sources	<u>20,000</u>	<u>-</u>	<u>52,672</u>	<u>52,672</u>
Net changes in fund balances	(449,800)	(449,800)	251,388	701,188
Fund balances, beginning of year	<u>615,863</u>	<u>615,863</u>	<u>615,863</u>	<u>-</u>
Fund balances, end of year	<u>\$ 166,063</u>	<u>\$ 166,063</u>	<u>\$ 867,251</u>	<u>\$ 701,188</u>

FORSYTH COUNTY, GEORGIA
DISTRICT ATTORNEY SEIZURE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 1,584	\$ (2,416)
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>1,584</u>	<u>(2,416)</u>
Expenditures:				
Current:				
Public safety	4,000	4,000	217	3,783
Total expenditures	<u>4,000</u>	<u>4,000</u>	<u>217</u>	<u>3,783</u>
Net changes in fund balances	-	-	1,367	1,367
Fund balances, beginning of year	<u>94,177</u>	<u>94,177</u>	<u>94,177</u>	<u>-</u>
Fund balances, end of year	<u>\$ 94,177</u>	<u>\$ 94,177</u>	<u>\$ 95,544</u>	<u>\$ 1,367</u>

FORSYTH COUNTY, GEORGIA
LAW LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 101,600	\$ 101,600	\$ 107,236	\$ 5,636
Miscellaneous	-	-	213	213
Total revenues	<u>101,600</u>	<u>101,600</u>	<u>107,449</u>	<u>5,849</u>
Expenditures:				
Current:				
Judicial	101,600	101,600	84,802	16,798
Total expenditures	<u>101,600</u>	<u>101,600</u>	<u>84,802</u>	<u>16,798</u>
Net changes in fund balances	-	-	22,647	22,647
Fund balances, beginning of year	<u>84,219</u>	<u>84,219</u>	<u>84,219</u>	<u>-</u>
Fund balances, end of year	<u>\$ 84,219</u>	<u>\$ 84,219</u>	<u>\$ 106,866</u>	<u>\$ 22,647</u>

**FORSYTH COUNTY, GEORGIA
 JUVENILE COURT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 18,000	\$ 18,000	\$ 3,575	\$ (14,425)
Interest income	-	-	116	116
Total revenues	<u>18,000</u>	<u>18,000</u>	<u>3,691</u>	<u>(14,309)</u>
Expenditures:				
Current:				
Judicial	18,000	18,000	-	18,000
Total expenditures	<u>18,000</u>	<u>18,000</u>	<u>-</u>	<u>18,000</u>
Net changes in fund balances	-	-	3,691	3,691
Fund balances, beginning of year	<u>14,919</u>	<u>14,919</u>	<u>14,919</u>	<u>-</u>
Fund balances, end of year	<u>\$ 14,919</u>	<u>\$ 14,919</u>	<u>\$ 18,610</u>	<u>\$ 3,691</u>

**FORSYTH COUNTY, GEORGIA
GRANT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,089,687	\$ 9,107,100	\$ 4,985,052	\$ (4,122,048)
Charges for services	47,500	47,500	37,734	(9,766)
Contributions and donations	45,000	45,000	39,195	(5,805)
Total revenues	<u>5,182,187</u>	<u>9,199,600</u>	<u>5,061,981</u>	<u>(4,137,619)</u>
Expenditures:				
Current:				
General government	-	1,500,000	-	1,500,000
Judicial	858,671	879,876	678,119	201,757
Public safety	1,301,267	1,310,548	937,260	373,288
Public works	2,723,743	3,998,935	3,394,855	604,080
Health and welfare	1,492,762	1,509,538	1,119,517	390,021
Capital outlay	-	2,039,606	701,813	1,337,793
Total expenditures	<u>6,376,443</u>	<u>11,238,503</u>	<u>6,831,564</u>	<u>4,406,939</u>
Deficiency of revenues over expenditures	(1,194,256)	(2,038,903)	(1,769,583)	269,320
Other financing sources (uses):				
Transfers in	1,194,256	1,471,641	936,021	(535,620)
Transfers out	-	-	(152,700)	(152,700)
Total other financing sources (uses)	<u>1,194,256</u>	<u>1,471,641</u>	<u>783,321</u>	<u>(688,320)</u>
Net changes in fund balances	-	(567,262)	(986,262)	(419,000)
Fund balances, beginning of year	<u>620,088</u>	<u>620,088</u>	<u>620,088</u>	<u>-</u>
Fund balances, end of year	<u>\$ 620,088</u>	<u>\$ 52,826</u>	<u>\$ (366,174)</u>	<u>\$ (419,000)</u>

FORSYTH COUNTY, GEORGIA
INSURANCE PREMIUM TAX
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 10,884,000	\$ 10,884,000	\$ 11,754,435	\$ 870,435
Intergovernmental	297,200	297,200	216,033	(81,167)
Fines and forfeitures	-	-	13,996	13,996
Licenses and permits	50,000	50,000	30,836	(19,164)
Charges for services	-	-	13	13
Interest income	50,000	50,000	68,511	18,511
Miscellaneous	1,500	1,500	11,875	10,375
Total revenues	<u>11,282,700</u>	<u>11,282,700</u>	<u>12,095,699</u>	<u>812,999</u>
Expenditures:				
Current:				
Public works	11,168,628	12,149,276	11,515,673	633,603
Capital outlay	764,060	760,459	479,033	281,426
Total expenditures	<u>11,932,688</u>	<u>12,909,735</u>	<u>11,994,706</u>	<u>915,029</u>
Excess (deficiency) of revenues over expenditures	(649,988)	(1,627,035)	100,993	1,728,028
Other financing uses:				
Transfers out	(250,000)	(314,284)	(350,495)	(36,211)
Total other financing uses	<u>(250,000)</u>	<u>(314,284)</u>	<u>(350,495)</u>	<u>(36,211)</u>
Net changes in fund balances	(899,988)	(1,941,319)	(249,502)	1,691,817
Fund balances, beginning of year	<u>5,653,076</u>	<u>5,653,076</u>	<u>5,653,076</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,753,088</u>	<u>\$ 3,711,757</u>	<u>\$ 5,403,574</u>	<u>\$ 1,691,817</u>

**FORSYTH COUNTY, GEORGIA
COUNTY JAIL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 250,000	\$ 250,000	\$ 262,482	\$ 12,482
Interest income	-	-	13,730	13,730
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>276,212</u>	<u>26,212</u>
Expenditures:				
Current:				
Public safety	550,000	665,649	217,864	447,785
Capital outlay	-	50,351	38,598	11,753
Total expenditures	<u>550,000</u>	<u>716,000</u>	<u>256,462</u>	<u>459,538</u>
Net changes in fund balances	(300,000)	(466,000)	19,750	485,750
Fund balances, beginning of year	<u>658,809</u>	<u>658,809</u>	<u>658,809</u>	<u>-</u>
Fund balances, end of year	<u>\$ 358,809</u>	<u>\$ 192,809</u>	<u>\$ 678,559</u>	<u>\$ 485,750</u>

FORSYTH COUNTY, GEORGIA
HOTEL/MOTEL TAX
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 732,800	\$ 732,800	\$ 595,472	\$ (137,328)
Total revenues	<u>732,800</u>	<u>732,800</u>	<u>595,472</u>	<u>(137,328)</u>
Expenditures:				
Current:				
Housing and development	<u>732,800</u>	<u>732,800</u>	<u>595,472</u>	<u>137,328</u>
Total expenditures	<u>732,800</u>	<u>732,800</u>	<u>595,472</u>	<u>137,328</u>
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FORSYTH COUNTY, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 17,407,715	\$ 17,407,715	\$ 17,894,371	\$ 486,656
Investment income	175,000	175,000	386,345	211,345
Total revenues	<u>17,582,715</u>	<u>17,582,715</u>	<u>18,280,716</u>	<u>698,001</u>
Expenditures:				
Current:				
General government	10,000	10,000	8,498	1,502
Debt service:				
Principal	12,190,000	12,190,000	12,190,000	-
Interest	<u>6,964,027</u>	<u>6,964,027</u>	<u>6,960,439</u>	<u>3,588</u>
Total expenditures	<u>19,164,027</u>	<u>19,164,027</u>	<u>19,158,937</u>	<u>5,090</u>
Net changes in fund balances	(1,581,312)	(1,581,312)	(878,221)	703,091
Fund balances, beginning of year	<u>15,076,630</u>	<u>15,076,630</u>	<u>15,076,630</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 13,495,318</u></u>	<u><u>\$ 13,495,318</u></u>	<u><u>\$ 14,198,409</u></u>	<u><u>\$ -</u></u>

FORSYTH COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Project	Estimated Cost		Expenditures		Total
	Original	Current	Prior Years	Current Year	
SPLOST VI - 2008 SPLOST					
Road, street, bridges and sidewalks	\$ 108,600,000	\$ 102,957,263	\$ 101,947,195	\$ -	\$ 101,947,195
Public safety facilities	17,800,000	13,052,093	5,409,505	850,000	6,259,505
Park and recreation facilities	13,500,000	11,137,500	11,126,287	-	11,126,287
Library facilities	7,200,000	5,940,000	5,694,069	-	5,694,069
Cultural facilities	6,000,000	6,877,656	6,877,656	-	6,877,656
Payments to the City of Cumming	6,900,000	6,075,666	6,075,666	-	6,075,666
Total 2008 SPLOST	<u>\$ 160,000,000</u>	<u>\$ 146,040,178</u>	<u>\$ 137,130,378</u>	<u>850,000</u>	<u>\$ 137,980,378</u>
SPLOST VII - 2013 SPLOST					
Courthouse and Jail Expansion	\$ 100,000,000	\$ 100,000,000	\$ 92,523,939	-	\$ 92,523,939
Road, street, bridges and sidewalks	76,925,025	94,530,000	53,750,858	13,366,185	67,117,043
Animal Shelter	2,999,975	2,999,975	1,802,282	-	1,802,282
Libraries	2,800,000	2,800,000	2,758,336	-	2,758,336
Public Safety Improvements	3,900,000	3,900,000	1,314,675	1,696,483	3,011,158
Emergency Water Generator	1,000,000	1,184,219	1,184,219	-	1,184,219
Park and Recreation Facilities	-	2,400,000	-	224,678	224,678
Administration Building	-	2,500,000	-	673,105	673,105
Payments to the City of Cumming	12,375,000	14,382,888	11,906,982	2,475,906	14,382,888
Total 2013 SPLOST	<u>\$ 200,000,000</u>	<u>\$ 224,697,082</u>	<u>\$ 165,241,291</u>	<u>18,436,357</u>	<u>\$ 183,677,648</u>
SPLOST VIII - 2018 SPLOST					
Roads, streets, bridges and sidewalks	\$ 153,000,000	\$ 153,000,000	\$ -	3,898,556	\$ 3,898,556
Park and Recreation	44,000,000	44,000,000	-	164,881	164,881
Public Safety (sheriff)	11,500,000	11,500,000	-	-	-
Public Safety (fire)	15,000,000	15,000,000	-	1,106,811	1,106,811
Senior Service	5,600,000	5,600,000	-	-	-
Water and Sewer	10,000,000	10,000,000	-	-	-
Administrative	9,000,000	9,000,000	-	30	30
Library	9,700,000	9,700,000	-	-	-
Stormwater and drainage	250,000	250,000	-	-	-
Animal Service	956,000	956,000	-	-	-
Veteran Memorial	500,000	500,000	25,000	128,446	153,446
Payments to the City of Cumming	14,494,000	14,494,000	-	1,127,152	1,127,152
Total 2018 SPLOST	<u>\$ 274,000,000</u>	<u>\$ 274,000,000</u>	<u>\$ 25,000</u>	<u>6,425,876</u>	<u>\$ 6,450,876</u>
Transfers in from other funds to offset project costs				152,700	
Total SPLOST Fund expenditures and transfers out				<u>\$ 25,864,933</u>	

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Risk Management Fund – to account for charges to other funds and for the payment of general liability and property insurance and the payment of claims.

Employee Health Benefit Fund – to account for charges to other funds and for the payment of the County's health insurance and claims.

Workers' Compensation Fund – to account for charges to other funds and for the payment of the workers' compensation insurance and claims.

Fleet Maintenance Fund – to account for charges to other funds and to account for the costs of operating the fleet maintenance function.

FORSYTH COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2019

	Risk Management Fund	Employee Health Benefits Fund	Workers' Compensation Fund	Fleet Maintenance Fund	Total
ASSETS					
Current assets:					
Cash	\$ 1,353,157	\$ 8,497,569	\$ 1,976,015	\$ 2,854	\$ 11,829,595
Receivables	22,815	769,442	-	-	792,257
Inventories	-	-	-	180,277	180,277
Prepaid items	417,338	12,921	-	-	430,259
Total current assets	<u>1,793,310</u>	<u>9,279,932</u>	<u>1,976,015</u>	<u>183,131</u>	<u>13,232,388</u>
Noncurrent assets:					
Capital assets:					
Capital assets, being depreciated	156,557	-	-	1,093,053	1,249,610
Less accumulated depreciation	(145,015)	-	-	(776,395)	(921,410)
Total capital assets, net of accumulated depreciation	<u>11,542</u>	<u>-</u>	<u>-</u>	<u>316,658</u>	<u>328,200</u>
Total assets	<u>1,804,852</u>	<u>9,279,932</u>	<u>1,976,015</u>	<u>499,789</u>	<u>13,560,588</u>
LIABILITIES					
Current liabilities:					
Accounts payable	77,570	424,758	15,805	2,980	521,113
Compensated absences, due within one year	26,414	-	-	119,260	145,674
Claims payable, due within one year	344,343	2,698,983	738,847	-	3,782,173
Total current liabilities	<u>448,327</u>	<u>3,123,741</u>	<u>754,652</u>	<u>122,240</u>	<u>4,448,960</u>
Long-term liabilities:					
Compensated absences, due in more than one year	6,603	-	-	29,815	36,418
Claims payable, long term	775,657	-	581,153	-	1,356,810
Total long-term liabilities	<u>782,260</u>	<u>-</u>	<u>581,153</u>	<u>29,815</u>	<u>1,393,228</u>
Total liabilities	<u>1,230,587</u>	<u>3,123,741</u>	<u>1,335,805</u>	<u>152,055</u>	<u>5,842,188</u>
NET POSITION					
Investment in capital assets	11,542	-	-	316,658	328,200
Unrestricted	562,723	6,156,191	640,210	31,076	7,390,200
Total net position	<u>\$ 574,265</u>	<u>\$ 6,156,191</u>	<u>\$ 640,210</u>	<u>\$ 347,734</u>	<u>\$ 7,718,400</u>

FORSYTH COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Risk Management Fund	Employee Health Benefits Fund	Workers' Compensation Fund	Fleet Maintenance Fund	Total
OPERATING REVENUES					
Charges for services	\$ 1,542,000	\$ 30,857,591	\$ 895,373	\$ 660,618	\$ 33,955,582
Insurance recoveries	166,092	-	19,437	-	185,529
Other operating income	3,092	-	-	213	3,305
Total operating revenues	<u>1,711,184</u>	<u>30,857,591</u>	<u>914,810</u>	<u>660,831</u>	<u>34,144,416</u>
OPERATING EXPENSES					
Salaries and benefits	242,363	-	49,811	1,188,234	1,480,408
Supplies and maintenance	-	-	-	254,556	254,556
Claims	1,879,691	22,085,674	1,074,029	-	25,039,394
Insurance premiums	26,952	3,222,815	-	-	3,249,767
General and administrative	103,185	1,206,866	15,599	-	1,325,650
Depreciation expense	46,170	-	-	52,141	98,311
Total operating expenses	<u>2,298,361</u>	<u>26,515,355</u>	<u>1,139,439</u>	<u>1,494,931</u>	<u>31,448,086</u>
Operating income (loss)	(587,177)	4,342,236	(224,629)	(834,100)	2,696,330
NONOPERATING REVENUES					
Investment earnings	33,860	-	50,494	-	84,354
Total nonoperating revenues	<u>33,860</u>	<u>-</u>	<u>50,494</u>	<u>-</u>	<u>84,354</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS					
	(553,317)	4,342,236	(174,135)	(834,100)	2,780,684
Capital contributions	-	-	-	84,857	84,857
Transfers in	-	-	-	785,000	785,000
Transfers out	-	(1,656,542)	-	-	(1,656,542)
Total capital contributions and transfers	<u>-</u>	<u>(1,656,542)</u>	<u>-</u>	<u>869,857</u>	<u>(786,685)</u>
Change in net position	(553,317)	2,685,694	(174,135)	35,757	1,993,999
NET POSITION, beginning of year	<u>1,127,582</u>	<u>3,470,497</u>	<u>814,345</u>	<u>311,977</u>	<u>5,724,401</u>
NET POSITION, end of year	<u>\$ 574,265</u>	<u>\$ 6,156,191</u>	<u>\$ 640,210</u>	<u>\$ 347,734</u>	<u>\$ 7,718,400</u>

FORSYTH COUNTY, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Risk Management Fund	Employee Health Benefits Fund	Workers Compensation Fund	Fleet Maintenance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,688,369	\$ 30,857,591	\$ 914,810	\$ 660,831	\$ 34,121,601
Payments to suppliers and service providers	(1,872,402)	(26,193,271)	(1,073,272)	(235,385)	(29,374,330)
Payments to employees	(216,661)	-	-	(1,144,675)	(1,361,336)
Net cash provided (used) by operating activities	(400,694)	4,664,320	(158,462)	(719,229)	3,385,935
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment maturities	-	-	1,585,807	-	1,585,807
Interest received	33,860	-	58,572	-	92,432
Net cash provided by investing activities	33,860	-	1,644,379	-	1,678,239
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	-	-	-	(62,917)	(62,917)
Net cash used in capital and related financing activities	-	-	-	(62,917)	(62,917)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers in from other funds	-	-	-	785,000	785,000
Transfers out to other funds	-	(1,656,542)	-	-	(1,656,542)
Net cash provided (used) by non-capital financing activities	-	(1,656,542)	-	785,000	(871,542)
Net increase (decrease) in cash and cash equivalents	(366,834)	3,007,778	1,485,917	2,854	4,129,715
Cash and cash equivalents:					
Beginning of year	1,719,991	5,489,791	490,098	-	7,699,880
End of year	<u>\$ 1,353,157</u>	<u>\$ 8,497,569</u>	<u>\$ 1,976,015</u>	<u>\$ 2,854</u>	<u>\$ 11,829,595</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (587,177)	\$ 4,342,236	\$ (224,629)	\$ (834,100)	\$ 2,696,330
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	46,170	-	-	52,141	98,311
(Increase) decrease in accounts receivable	(22,815)	896,680	-	-	873,865
Decrease in inventory	-	-	-	15,745	15,745
(Increase) decrease in prepaid items	(60,568)	(12,921)	-	1,890	(71,599)
Increase (decrease) in accounts payable	(32,006)	136,226	6,167	1,536	111,923
Increase in compensated absences	25,702	-	-	43,559	69,261
Increase in claims payable	230,000	(697,901)	60,000	-	(407,901)
Net cash provided (used) by operating activities	<u>\$ (400,694)</u>	<u>\$ 4,664,320</u>	<u>\$ (158,462)</u>	<u>\$ (719,229)</u>	<u>\$ 3,385,935</u>
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,857</u>	<u>\$ 84,857</u>

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments.

Tax Commissioner - to account for the collection of all property taxes which are disbursed to other taxing units.

Sheriff - to account for collection of cash bonds, fines, forfeitures and other fees which are disbursed to other parties.

The following custodial funds are used to account for fines, fees and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law:

Clerk of Superior Court
Probate Court
Magistrate Court
Juvenile Court

FORSYTH COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2019

ASSETS	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Juvenile Court	Total
Cash and cash equivalents	\$ 5,561,517	\$ 402,527	\$ 12,397,465	\$ 12,845	\$ 291,676	\$ 14,668	\$ 18,680,698
Taxes receivable	8,316,443	-	-	-	-	-	8,316,443
Receivables	-	11,655	-	-	-	-	11,655
Total assets	<u>13,877,960</u>	<u>414,182</u>	<u>12,397,465</u>	<u>12,845</u>	<u>291,676</u>	<u>14,668</u>	<u>27,008,796</u>
LIABILITIES							
Due to others	5,561,517	13,171	1,128,812	12,845	248,216	14,668	6,979,229
Uncollected taxes	8,316,443	-	-	-	-	-	8,316,443
Total liabilities	<u>13,877,960</u>	<u>13,171</u>	<u>1,128,812</u>	<u>12,845</u>	<u>248,216</u>	<u>14,668</u>	<u>15,295,672</u>
NET POSITION							
Restricted:							
Individuals, organizations, and other governments	-	401,011	11,268,653	-	43,460	-	11,713,124
Total net position	<u>\$ -</u>	<u>\$ 401,011</u>	<u>\$ 11,268,653</u>	<u>\$ -</u>	<u>\$ 43,460</u>	<u>\$ -</u>	<u>\$ 11,713,124</u>

FORSYTH COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2019

	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Juvenile Court	Total
ADDITIONS							
Interest income	\$ -	\$ -	\$ 474	\$ -	\$ -	\$ 42	\$ 516
Taxes	408,667,631	-	-	-	-	-	408,667,631
Fines and fees	-	1,963,813	105,310	898,033	2,185,657	15,052	5,167,865
Criminal and civil bonds	-	-	17,519,581	-	163,423	-	17,683,004
Land condemnations	-	-	15,142,491	-	-	-	15,142,491
Total additions	408,667,631	1,963,813	32,767,856	898,033	2,349,080	15,094	446,661,507
DEDUCTIONS							
Taxes and fees paid to other governments	408,667,631	-	3,087,432	-	-	-	411,755,063
Payments to Board of Commissioners	-	-	19,331,072	898,033	487,939	10,252	20,727,296
Other custodial disbursements	-	1,922,281	1,754,726	-	1,859,811	4,842	5,541,660
Total deductions	408,667,631	1,922,281	24,173,230	898,033	2,347,750	15,094	438,024,019
Net increase in fiduciary net position	-	41,532	8,594,626	-	1,330	-	8,637,488
Net position, beginning of year, restated	-	359,479	2,674,027	-	42,130	-	3,075,636
Net position, end of year	\$ -	\$ 401,011	\$ 11,268,653	\$ -	\$ 43,460	\$ -	\$ 11,713,124

FORSYTH COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - PUBLIC FACILITIES AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2019

REVENUES

Intergovernmental:		
Payment from Forsyth County Board of Education	\$	2,337,700
Total revenues		2,337,700

EXPENDITURES

Debt service:		
Principal		1,290,000
Interest		1,047,700
Total expenditures		2,337,700

Net change in fund balance		-
----------------------------	--	---

FUND BALANCE, beginning of year		-
--	--	---

FUND BALANCE, end of year		\$ -
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STATISTICAL SECTION



STATISTICAL SECTION

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

Table

Financial Trends

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

Net Position by Component	105
Changes in Net Position	106 and 107
Fund Balances of Governmental Funds.....	108 and 109
Changes in Fund Balances of Governmental Funds	110 and 111
General Governmental Tax Revenues by Source	112

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue sources: property taxes and water and sewer charges for services.

Assessed Value and Estimated Actual Value of Taxable Property.....	113
Property Tax Rates (Direct and Overlapping Governments)	114
Principal Property Taxpayers	115
Property Tax Levies and Collections.....	116
Top 10 Water Customers	117
Top 10 Sewer Customers.....	118
Water System Rates, Fees and Charges	119

Debt Capacity

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

Ratios of Outstanding Debt by Type	120
Other Long-term Liabilities.....	121
Ratios of General Bonded Debt Outstanding	122
Direct and Overlapping Governmental Activities Debt.....	123
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

STATISTICAL SECTION

Table

Demographic and Economic Information

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

Demographic and Economic Statistics	126
Principal Employers	127

Operating Information

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

Full-time County Government Employees by Function.....	128
Operating Indicators by Function	129
Capital Asset Statistics by Function.....	130
Water System Statistics	131

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

FORSYTH COUNTY, GEORGIA

TABLE 1

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

(amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 697,529	\$ 756,006	\$ 754,041	\$ 773,963	\$ 824,767	\$ 868,626	\$ 961,421	\$ 990,472	\$ 985,786	\$ 1,014,384
Restricted:										
Debt service	28,451	29,941	30,184	20,285	18,462	15,629	15,823	16,713	15,184	14,300
Capital projects	35,147	47,647	41,721	47,890	41,157	53,502	10,264	34,796	65,260	83,115
Public safety programs	-	6,796	8,240	8,503	8,783	8,594	8,484	10,675	11,887	13,277
Public works	-	-	-	1,937	3,021	-	-	-	-	-
Judicial programs	-	251	249	134	119	90	94	107	93	124
Jail construction	-	408	324	233	105	-	-	-	-	-
Grant projects	-	56	12	4	-	-	-	-	-	-
Unrestricted:	45,012	36,368	47,822	67,414	73,670	31,945	30,627	38,289	67,305	73,416
Total governmental activities net position	\$ 806,139	\$ 877,473	\$ 882,593	\$ 920,363	\$ 970,084	\$ 978,386	\$ 1,026,713	\$ 1,091,052	\$ 1,145,515	\$ 1,198,616
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 281,932	\$ 289,344	\$ 291,107	\$ 291,107	\$ 312,319	\$ 329,049	\$ 358,440	\$ 421,277	\$ 471,770	\$ 541,438
Restricted	4,207	4,259	4,315	4,315	4,326	3,859	3,939	4,118	4,323	4,483
Unrestricted	41,135	43,590	52,846	52,846	53,336	75,501	91,475	70,928	48,539	2,527
Total business-type activities net position	\$ 327,274	\$ 337,193	\$ 348,268	\$ 348,268	\$ 369,981	\$ 408,409	\$ 453,854	\$ 496,323	\$ 524,632	\$ 548,448
PRIMARY GOVERNMENT										
Net investment in capital assets	\$ 979,461	\$ 1,045,350	\$ 1,045,148	\$ 1,065,070	\$ 1,137,086	\$ 1,197,675	\$ 1,319,861	\$ 1,411,749	\$ 1,457,556	\$ 1,555,822
Restricted	67,805	89,358	85,045	83,301	75,973	81,675	38,604	66,409	96,747	115,299
Unrestricted	86,147	79,958	100,668	120,260	127,006	107,445	122,112	109,217	115,844	75,943
Total primary government net position	\$ 1,133,413	\$ 1,214,666	\$ 1,230,861	\$ 1,268,631	\$ 1,340,065	\$ 1,386,795	\$ 1,480,577	\$ 1,587,375	\$ 1,670,147	\$ 1,747,064

From: Statement of Net Position

FORSYTH COUNTY, GEORGIA

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EXPENSES										
Governmental activities:										
General Government	\$ 14,181	\$ 12,658	\$ 13,558	\$ 20,445	\$ 27,209	\$ 27,515	\$ 27,992	\$ 34,715	\$ 37,230	\$ 41,890
Judicial	11,271	11,276	12,536	11,888	13,360	14,053	14,827	15,272	15,201	15,996
Public Safety	57,674	59,341	63,465	58,783	62,404	67,785	75,028	77,125	81,256	86,485
Public Works	15,791	15,133	21,510	25,269	19,105	58,197	30,155	26,346	27,178	33,296
Health and Welfare	2,529	3,108	3,131	2,686	2,767	2,756	3,128	3,011	3,473	3,484
Culture and Recreation	13,524	12,877	15,332	14,243	16,743	16,725	17,268	19,255	20,523	21,654
Housing and Development	4,460	4,197	4,466	7,305	4,643	5,190	5,977	6,524	7,481	8,062
Interest and paying agent fees	6,360	6,207	5,860	5,353	5,723	8,136	6,792	5,781	5,678	7,409
Total governmental activities expenses	125,790	124,797	139,858	145,972	151,954	200,357	181,167	188,029	198,020	218,276
Business-type activities:										
Water and sewer	32,283	31,457	34,220	39,159	43,383	40,898	44,664	47,267	51,122	62,185
Solid waste	671	789	705	672	792	875	995	888	1,354	1,898
Total business-type activities expenses	32,954	32,246	34,925	39,831	44,175	41,773	45,659	48,155	52,476	63,883
Total primary government expenses	\$ 158,744	\$ 157,043	\$ 174,783	\$ 185,803	\$ 196,129	\$ 242,130	\$ 226,826	\$ 236,184	\$ 250,496	\$ 282,158
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General Government	\$ 5,896	\$ 6,232	\$ 6,027	\$ 6,000	\$ 5,947	\$ 7,030	\$ 8,903	\$ 11,947	\$ 11,036	\$ 11,736
Judicial	4,367	4,487	4,566	4,719	4,657	5,133	5,127	5,128	5,240	5,494
Public Safety	5,221	4,868	4,699	4,787	5,286	4,766	4,967	5,107	6,388	7,710
Public Works	1,938	2,101	4,167	4,873	4,768	5,420	6,375	10,618	10,916	6,665
Health and Welfare	69	92	144	151	81	76	74	69	81	79
Culture and Recreation	1,849	1,895	2,266	2,543	2,644	2,639	2,668	2,829	3,030	3,303
Housing and Development	2,800	2,845	3,764	4,495	5,202	5,708	5,822	5,592	5,678	5,864
Total charges for services	22,140	22,520	25,633	27,568	28,585	30,772	33,936	41,290	42,369	40,851
Operating grants and contributions	1,347	1,283	1,343	1,658	3,736	2,694	2,190	1,442	2,035	2,504
Capital grants and contributions	6,200	35,503	5,365	12,055	18,186	23,119	19,743	26,121	10,782	12,617
Total governmental activities program revenues	29,687	59,306	32,341	41,281	50,507	56,585	55,869	68,853	55,186	55,972
Business-type activities:										
Charges for services:										
Water and sewer	30,156	32,179	32,521	33,649	34,773	39,582	45,704	40,741	47,339	54,072
Solid waste	1,227	1,803	1,461	1,919	2,027	2,081	2,319	2,431	1,974	2,147
Total charges for services	31,383	33,982	33,982	35,568	36,800	41,663	48,023	43,172	49,313	56,219
Capital grants and contributions	28,019	9,695	13,088	15,699	29,343	38,806	45,429	47,067	29,573	30,233
Total business-type activities program revenues	59,402	43,677	47,070	51,267	66,143	80,469	93,452	90,239	78,886	86,452
Total primary government program revenues	\$ 89,089	\$ 102,983	\$ 79,411	\$ 92,548	\$ 116,650	\$ 137,054	\$ 149,321	\$ 159,092	\$ 134,072	\$ 142,424

(continued)

FORSYTH COUNTY, GEORGIA

TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (expense)/revenue										
Governmental activities	\$ (96,103)	\$ (65,491)	\$ (107,517)	\$ (104,691)	\$ (101,447)	\$ (143,772)	\$ (125,298)	\$ (119,176)	\$ (142,834)	\$ (162,304)
Business-type activities	26,448	11,431	12,145	11,436	21,968	38,696	47,793	42,084	26,410	22,570
Total primary government net expense	\$ (69,655)	\$ (54,060)	\$ (95,372)	\$ (93,255)	\$ (79,479)	\$ (105,076)	\$ (77,505)	\$ (77,092)	\$ (116,424)	\$ (139,734)
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities:										
Taxes										
Property Taxes		\$ 66,473	\$ 67,763	\$ 65,424	\$ 65,927	\$ 70,365	\$ 81,779	\$ 86,347	\$ 93,248	\$ 98,761
Sales Taxes		50,636	54,243	57,422	57,337	62,001	66,721	69,718	74,446	77,490
Insurance premium taxes		4,489	7,114	7,600	7,899	8,336	8,926	10,173	10,969	11,754
Other taxes		2,898	3,154	3,489	9,854	13,774	13,028	13,719	15,815	19,423
Total taxes		124,495	136,274	140,514	149,254	157,126	171,027	179,957	194,478	207,428
Investment earnings		1,149	980	749	668	775	787	1,091	1,828	4,022
Miscellaneous		520	1,327	784	673	723	786	970	1,559	1,758
Gain on sale of capital assets		-	-	-	108	-	-	-	-	-
Transfers		-	-	500	500	500	733	750	750	750
Total governmental activities	126,164	136,824	138,307	142,463	151,167	159,136	173,637	183,505	200,809	215,405
Business-type activities:										
Investment earnings		777	497	231	139	210	518	1,079	1,897	1,565
Miscellaneous		2	-	-	-	-	-	-	719	11
Intergovernmental revenue		-	-	239	-	-	31	33	33	421
Gain on sale of capital assets		-	-	-	-	-	-	23	(1)	-
Transfers		-	(500)	(500)	(500)	(600)	(733)	(750)	(750)	(750)
Total business-type activities	779	497	(30)	(361)	(255)	(321)	(184)	385	1,898	1,247
Total primary government	\$ 126,943	\$ 137,321	\$ 138,277	\$ 142,102	\$ 150,912	\$ 158,815	\$ 173,453	\$ 183,890	\$ 202,707	\$ 216,652
CHANGE IN NET POSITION										
Governmental activities	\$ 30,061	\$ 71,333	\$ 30,790	\$ 37,772	\$ 49,720	\$ 15,364	\$ 48,339	\$ 64,329	\$ 57,975	\$ 53,101
Business-type activities	27,227	11,928	12,115	11,075	21,713	38,375	47,609	42,469	28,308	23,817
Total primary government	\$ 57,288	\$ 83,261	\$ 42,905	\$ 48,847	\$ 71,433	\$ 53,739	\$ 95,948	\$ 106,798	\$ 86,283	\$ 76,918

From: Statement of Activities

FORSYTH COUNTY, GEORGIA

TABLE 3
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	2010	2011	(1)	2012	2013	2014	2015	2016	2017	2018	2019
General fund	\$ 22,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved	4,548	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-	-
Nonspendable:											
Prepays	-	5	161	178	55	42	180	231	246	197	197
Inventory	-	275	374	378	331	405	417	610	729	411	411
Long term advances	-	-	-	3,531	3,531	6,871	-	-	-	-	-
Restricted:											
Grant projects	-	48	12	4	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	60	-	-	-	-	-
Committed:											
Tree replacement	-	23	18	51	63	38	95	119	-	-	-
Paving expenditures	-	222	526	561	-	-	-	-	-	-	-
Assigned:											
Use of fund balance in subsequent budget	-	1,046	54	75	77	236	308	388	-	-	-
Use of fund balance for											
City road improvements	-	-	3,500	-	-	-	-	-	-	-	-
Professional services	-	42	136	213	129	510	76	219	230	103	103
Capital projects	-	747	444	712	229	1,262	179	69	1,100	324	324
Supplies and materials	-	5	19	139	342	243	7	138	201	20	20
Health insurance administration	-	-	69	50	-	-	-	-	-	-	-
Unassigned	-	35,483	38,980	41,512	46,694	43,451	52,865	51,629	54,492	60,453	60,453
Total general fund	27,473	37,896	44,293	47,404	51,451	53,058	54,187	53,403	56,998	61,509	61,509

Continued

FORSYTH COUNTY, GEORGIA

TABLE 3
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
All other governmental funds										
Reserved	\$ 97,532	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	4,988	-	-	-	-	-	-	-	-	-
Capital projects funds	184	-	-	-	-	-	-	-	-	-
Nonspendable:										
Prepays	-	-	6	6	-	-	70	99	83	21
Inventory	-	387	369	380	362	383	323	358	355	326
Long-term advances	-	97	48	-	-	-	-	480	-	-
Restricted:										
Judicial services	-	251	249	134	119	90	94	107	93	124
Public safety services	-	6,796	8,103	8,372	8,647	8,101	8,001	10,084	11,286	12,749
Public works	-	-	-	1,937	3,021	-	-	-	-	-
Grant projects	-	8	-	-	-	-	-	-	-	-
Capital projects	-	59,971	60,247	77,029	68,521	125,364	85,584	91,814	112,552	195,410
Jail construction and equipping	-	408	324	233	104	-	-	-	-	-
Debt service	-	29,941	30,118	20,232	18,403	15,569	15,735	16,616	15,077	14,198
Assigned for capital projects	-	-	209	20,307	22,113	23,469	23,351	29,474	23,982	27,554
Unassigned	-	-	1,923	(276)	(2,433)	(230)	(1,331)	(386)	-	(366)
Total all other governmental funds	102,704	97,859	101,596	128,354	118,857	172,746	131,827	148,646	163,428	250,017
Total all funds	\$ 130,177	\$ 135,755	\$ 145,889	\$ 175,758	\$ 170,308	\$ 225,804	\$ 186,014	\$ 202,049	\$ 220,426	\$ 311,526

(1) The County implemented GASB Statement No. 54 for the year ending December 31, 2011.

FORSYTH COUNTY, GEORGIA

TABLE 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Taxes (see table 5)	\$ 124,817	\$ 134,633	\$ 136,607	\$ 140,547	\$ 149,249	\$ 157,188	\$ 170,877	\$ 179,885	\$ 194,343	\$ 207,445
Licenses and permits	4,074	4,365	5,280	5,856	6,286	6,855	6,990	6,867	6,928	7,219
Intergovernmental	2,882	4,231	3,326	9,083	3,672	9,817	5,359	5,284	6,397	5,685
Fines and forfeitures	3,930	3,329	3,349	3,210	4,012	3,663	3,459	3,664	3,818	3,943
Charges for services	14,065	14,756	16,934	18,432	18,287	20,254	23,486	30,760	31,623	29,689
Contributions and donations	82	69	71	53	77	868	91	73	134	232
Investment earnings	1,192	1,004	778	713	824	824	1,110	1,895	4,462	6,769
Miscellaneous	1,074	1,527	854	743	704	723	986	970	2,351	1,758
Total revenues	152,116	163,914	167,199	178,637	183,111	200,192	212,358	229,398	250,056	262,740
EXPENDITURES										
General government	10,742	11,075	11,294	19,834	20,418	23,754	23,242	27,410	28,317	30,273
Judicial	10,942	11,599	12,288	11,685	12,416	13,104	13,580	14,092	14,912	15,747
Public safety	54,706	59,103	59,578	56,524	59,537	65,260	69,413	68,228	74,633	81,514
Public works	5,473	5,989	12,374	14,571	8,999	15,486	17,655	14,404	15,593	17,917
Public health and welfare	2,499	3,051	3,094	2,694	2,653	2,613	2,999	3,005	3,434	3,207
Recreation and culture	11,563	12,245	14,152	15,289	14,262	13,879	14,067	15,637	16,054	17,154
Housing and development	4,356	4,324	4,691	7,357	4,717	5,153	5,784	6,348	7,735	8,286
Intergovernmental	1,165	1,250	1,322	647	183	35,262	2,532	4,813	6,374	3,677
Capital Outlay	34,578	32,290	23,014	29,400	85,051	44,200	73,188	41,326	43,789	71,882
Principal on long-term debt	10,070	10,870	11,750	12,655	4,801	32,442	28,748	9,663	15,644	14,869
Interest and paying agent fees	7,198	6,736	6,480	5,231	5,594	6,407	9,046	8,923	7,089	7,526
Bond issuance costs	-	-	-	-	-	811	-	439	-	574
Total expenditures	153,292	158,532	160,037	175,887	218,631	258,371	260,254	214,288	233,576	272,627
Excess of revenues over (under) expenditures (continued)	(1,176)	5,382	7,162	2,750	(35,520)	(58,179)	(47,896)	15,110	16,480	(9,887)

FORSYTH COUNTY, GEORGIA

TABLE 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
OTHER FINANCING SOURCES (USES)										
Sale of County Property	32	196	28	276	6	250	2	238	170	151
Transfers in	20,668	11,008	20,361	14,747	15,598	44,274	36,116	19,239	19,916	22,884
Transfers out	(20,668)	(11,008)	(17,695)	(11,628)	(15,133)	(44,064)	(35,883)	(18,999)	(18,189)	(21,263)
Capital leases	-	-	-	-	-	-	7,870	-	-	-
Proceeds from bond refunding	-	-	20,960	21,231	29,599	60,315	-	76,830	-	-
Proceeds from general obligation bond	-	-	-	-	-	96,165	-	-	-	85,300
Premium on bonds issued	-	-	-	2,493	-	30,645	-	7,317	-	13,914
Payments to refunded bond escrow agent	-	-	(20,682)	-	-	(73,908)	-	(83,698)	-	-
Total other financing sources (uses)	32	196	2,972	27,119	30,070	113,677	8,105	927	1,897	100,987
Net change in fund balances	\$ (1,144)	\$ 5,578	\$ 10,134	\$ 29,869	\$ (5,450)	\$ 55,498	\$ (39,791)	\$ 16,037	\$ 18,377	\$ 91,100

	14.6%	14.3%	13.6%	12.7%	8.0%	19.3%	20.6%	11.0%	12.4%	11.7%
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FORSYTH COUNTY, GEORGIA

TABLE 5
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Taxes	Title Ad Valorem Tax	Insurance		Other Taxes	Total
				Premium Tax	Tax		
2010	\$ 66,578	\$ 50,840	\$ -	\$ 4,489	\$ 2,910	\$ 124,817	
2011	70,122	54,243	-	7,114	3,154	134,633	
2012	68,095	57,422	-	7,600	3,490	136,607	
2013	65,457	57,337	5,888	7,899	3,966	140,547	
2014	65,922	62,001	8,539	8,336	4,451	149,249	
2015	70,425	64,061	8,948	8,926	4,826	157,186	
2016	81,628	66,721	7,994	9,499	5,035	170,877	
2017	86,274	69,718	8,696	10,173	5,024	179,885	
2018	93,112	74,446	10,771	10,969	5,045	194,343	
2019	98,777	77,491	14,252	11,754	5,171	207,445	

Note: Other taxes include real estate & recording taxes, franchise taxes, alcoholic beverage taxes and hotel/motel taxes. Title Ad Valorem Tax was created in 2013 and was the first year of collection of this tax type.

FORSYTH COUNTY, GEORGIA

TABLE 6
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year	Tax Year	Real Property			Personal Property			Less Exemptions:		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (3)	Assessed Value as a Percentage of Actual Value
		Residential Property	Agricultural Property (1)	Commercial & Industrial Property	Public Utilities	Inventories & Equipment (4)	Motor Vehicles	Mobile Homes	Other (2)				
2011	2010	\$ 6,917,305	\$ 316,334	\$ 1,365,672	\$ 105,671	\$ 604,430	\$ 525,338	\$ 13,757	\$ 50,422	\$ 8,625,996	7.656	\$ 21,564,990	40.00%
2012	2011	6,399,292	249,215	1,285,511	106,646	595,639	540,457	13,905	48,625	8,217,634	7.656	20,544,085	40.00%
2013	2012	6,090,993	205,235	1,245,072	116,372	617,557	589,202	13,386	49,356	8,035,502	7.656	20,088,755	40.00%
2014	2013	6,117,236	185,889	1,066,657	109,510	609,708	639,952	11,405	48,000	7,954,547	7.656	19,886,368	40.00%
2015	2014	6,652,676	184,275	1,079,629	105,818	616,552	564,744	11,172	52,100	8,366,453	7.656	20,916,133	40.00%
2016	2015	7,685,610	197,395	1,284,324	89,457	675,748	400,864	11,031	54,673	9,163,712	8.036	22,909,280	40.00%
2017	2016	8,350,070	202,673	1,318,592	86,704	686,910	298,089	10,736	54,696	9,676,956	8.036	24,192,390	40.00%
2018	2017	9,266,270	231,025	1,441,482	114,416	696,822	217,892	10,766	57,490	10,447,574	8.036	26,118,935	40.00%
2019	2018	10,272,554	264,017	1,967,296	133,697	804,276	164,739	10,896	132,310	10,641,981	8.036	26,604,953	40.00%
2020	2019	11,218,653	291,213	2,282,957	145,764	862,348	130,514	10,670	72,941	12,737,573	7.936	31,843,933	40.00%

Source: Georgia Department of Revenue and Forsyth County Tax Assessor's Department

(1) Includes conservation use and preferential property.

(2) Includes aircraft, boats, miscellaneous personal property, timber and heavy equipment.

(3) Property that is exempt from taxation has not been included. That is typically property owned by governments and not-for-profit organizations like churches.

(4) Includes furniture and fixtures.

FORSYTH COUNTY, GEORGIA

TABLE 7
PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS)
Last Ten Fiscal Years
(Mills - rate per \$1,000 of taxable assessed value)

Fiscal Year	Tax Year	Forsyth County				School District				State		Total Direct & Overlapping Rates
		Operating Millage	Fire Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Operating Millage	State Millage		
2011	2010	4.734	1.975	0.947	7.656	15.395	1.418	16.813	0.250	0.250	24.719	
2012	2011	4.812	1.975	0.869	7.656	16.300	2.418	18.718	0.250	0.250	26.624	
2013	2012	4.812	1.975	0.869	7.656	16.300	2.418	18.718	0.200	0.200	26.574	
2014	2013	4.812	1.975	0.869	7.656	16.300	2.418	18.718	0.150	0.150	26.524	
2015	2014	4.812	1.975	0.869	7.656	16.300	2.418	18.718	0.100	0.100	26.474	
2016	2015	4.642	1.975	1.419	8.036	17.300	2.418	19.718	0.050	0.050	27.804	
2017	2016	4.642	1.975	1.419	8.036	17.300	2.418	19.718	0.050	0.050	27.804	
2018	2017	4.642	1.975	1.419	8.036	17.300	2.418	19.718	0.000	0.000	27.754	
2019	2018	4.642	1.975	1.419	8.036	17.300	2.418	19.718	0.000	0.000	27.754	
2020	2019	4.791	2.175	0.970	7.936	17.300	2.418	19.718	0.000	0.000	27.654	

Source: State Department of Revenue

Overlapping rates are those of local and county governments that apply to property owners within the County. Not all potential overlapping rates apply to all County property owners (e.g., the rates for special districts apply only proportion of the government's property owners whose property is located within the geographic boundaries of the special district.) Currently, there are no special districts in the county that levy a property tax.

FORSYTH COUNTY, GEORGIA

TABLE 8
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
 December 31, 2019
 (amounts expressed in thousands)

Taxpayer	Type of Business	2019				2010			
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	
				Value	Rank			Value	Rank
Sawnee EMC	Electric Power Utility	\$ 67,570	1	0.53%		\$ 47,250	1	0.55%	
KRE CH Juncture Owner LLC	Real Estate Holdings	48,000	2	0.38%					
Forsyth Owner 1 LP	Developer	43,200	3	0.34%					
Northside Hospital Inc.	Hospital	38,742	4	0.30%		12,001	7	0.14%	
Georgia Transmissions Corp	Power Transfer Utility	37,172	5	0.29%		26,499	2		
DD Big Creek LLC	Real Estate Holdings	25,911	6	0.20%				0.00%	
DDR Winter Garden LLC	Real Estate Development	24,580	7	0.19%					
United Parcel Service	Mail Delivery Service	23,098	8	0.18%		17,392	3	0.00%	
Lennar Georgia Inc	Real Estate Development	22,229	9	0.17%					
MAR Windermere LP	Real Estate Development	21,311	10	0.17%					
Scientific Games Products	Lottery Ticket Printing					17,949	4	0.21%	
Avenue Forsyth, LLC	Shopping Complex					13,358	5	0.15%	
Federal National Mortgage Assn.	Financial Group					12,445	6	0.14%	
Solvay Advanced Polymers, LLC	Plastic Manufacturer					13,130	8	0.15%	
Hendon/Atlanta RIM Johns Creek LLC	Investment Company					11,165	9	0.13%	
Bellsouth Telecommunications	Telephone Utility					10,216	10	0.12%	
Totals		\$ 351,813				\$ 181,405		1.59%	

Source: Forsyth County Tax Commissioner

FORSYTH COUNTY, GEORGIA

TABLE 9A
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal Year	Tax Year	Tax Due Date	Taxes Levied for the Tax Year (Original Levy)	Adjustments	Interest, Costs, & Penalties	Total Adjusted Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years		Uncollected Balance
							Amount	Percentage of Original Levy	Amount	Percentage of Adjusted Levy	
2011	2010	11/15/10	\$ 66,880	\$ (717)	\$	\$ 66,425	\$ 62,299	93.15%	\$ 3,874	99.62%	\$ 252
2012	2011	11/15/11	64,220	(560)	206	63,866	60,935	94.88%	2,695	99.63%	236
2013	2012	11/15/12	62,782	(580)	149	62,351	59,802	95.25%	2,386	99.74%	163
2014	2013	11/15/13	63,593	(559)	150	63,184	61,239	96.30%	1,813	99.79%	132
2015	2014	11/15/14	66,304	9	103	66,416	64,430	97.17%	1,745	99.64%	241
2016	2015	11/15/15	77,541	(764)	111	76,888	74,248	95.75%	2,552	99.89%	88
2017	2016	11/15/16	82,227	(427)	52	81,852	78,873	95.92%	2,926	99.93%	60
2018	2017	11/15/17	88,981	(611)	20	88,390	86,403	97.10%	2,027	99.88%	110
2019	2018	11/15/18	95,299	(1,096)	59	94,262	92,094	96.64%	1,952	97.70%	2,168
2020	2019	11/15/19	102,870	(1,247)	80	101,703	98,899	96.14%	-	97.24%	2,804

Source: Forsyth County Tax Commissioner's Office

Note:

Taxes levied during the calendar year 2018 are recorded as revenues in the financial statements in 2019 since they are levied to finance that year's expenditures. Taxes levied include real and personal property, motor vehicle, mobile home, timber, and heavy equipment taxes.

FORSYTH COUNTY, GEORGIA

TABLE 9B
TOP 10 WATER CUSTOMERS
December 31, 2019

Customer Name	Business	Gallons Metered	Total Water Billed	% of Total Billings
FORSYTH COUNTY SCHOOL	School System	81,019,690	\$ 590,938	1.97%
TRUBY INC	Private Water System	29,387,880	115,935	0.39%
KRE CH JUNCTURE OWNER LLC	Apartments	17,332,850	116,331	0.39%
FORSYTH COUNTY PARKS AND REC	Government	21,081,240	182,962	0.61%
TS BIG CREEK LLC	Apartments	13,949,200	56,965	0.19%
A AND A WATER COMPANY LLC	Private Water System	23,257,880	94,351	0.31%
BR BIG CREEK LEASECO LLC	Apartments	11,322,200	46,851	0.16%
SCIENTIFIC GAMES	Manufacturing / Technology	11,179,200	62,797	0.21%
MAR WINDERMERE LP	Apartments	9,378,660	60,432	0.20%
WALTON BLUEGRASS APTS LLC	Apartments	8,700,700	36,759	0.12%
All other customers			28,596,451	95.45%
Total Billing			<u>\$ 29,960,772</u>	

FORSYTH COUNTY, GEORGIA

TABLE 9C
TOP 10 SEWER CUSTOMERS
December 31, 2019

Customer Name	Business	Gallons Metered	Total Sewer Billed	% of Total Billings
FORSYTH COUNTY SCHOOL	School System	58,821,000	\$ 389,744	1.72%
KRE CH JUNCTURE OWNER LLC	Apartments	13,970,600	88,499	0.39%
TS BIG CREEK LLC	Apartments	13,949,200	88,364	0.39%
BR BIG CREEK LEASECO LLC	Apartments	11,322,200	71,841	0.32%
SCIENTIFIC GAMES	Manufacturing	10,106,000	64,191	0.28%
WALTON BLUEGRASS APTS LLC	Apartments	8,700,700	55,351	0.24%
D R HORTON	Commercial Developer	8,623,240	70,191	0.31%
SUMMIT CROSSING APARTMENTS	Apartments	8,263,500	52,549	0.23%
MAR WINDERMERE LP	Apartments	7,853,850	50,025	0.22%
FORSYTH OWNER 1 LP	Commercial Developer	6,790,850	43,338	0.19%
All other customers			21,737,329	95.71%
Total Billing			\$ 22,711,424	

FORSYTH COUNTY, GEORGIA

TABLE 9D
WATER SYSTEM RATES, FEES AND CHARGES
 December 31, 2019

METER SIZE (1)	TAP FEE EXISTING LINES	MINIMUM MONTHLY CHARGES
5/8	\$ 2,238	\$ 12
3/4	2,238	12
1	3,805	16
1 1/2	7,385	21
2	11,862	31
3	22,380	93
4	37,375	129
6	74,526	259
8	119,286	466

AVERAGE MONTHLY BILLING FOR A RESIDENTIAL CUSTOMER USING 9000
 GALLONS OF WATER ON A 3/4 " DOMESTIC METER PER MONTH

WATER	\$ 44.15
SEWER	\$ 69.61
TOTAL	\$ 113.76

Source: The Water Rate Resolution adopted August 2018.
 (1) Meter sizes are in inches.

FORSYTH COUNTY, GEORGIA

TABLE 10
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years
 (amounts expressed in thousands, except per capita amounts)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Financed Purchases (2)	Revenue Bonds (2)	Total	Revenue Bonds (2)	Notes Payable	Total	Total Government			
2010	\$ 137,210	\$ 7,777	\$ 160,200	\$ 144,987	\$ -	\$ -	160,200	\$ 305,187	4.46%	\$ 1,705	
2011	126,340	7,777	156,285	134,117	3,826	3,826	160,111	294,228	3.91%	1,618	
2012	116,395	8,004	149,855	124,399	6,656	6,656	156,511	280,910	3.56%	1,495	
2013	128,277	7,969	156,008	136,246	6,697	6,697	162,705	298,951	3.61%	1,530	
2014	152,756	7,934	151,137	160,690	6,826	6,826	157,963	318,653	3.66%	1,560	
2015	241,561	7,897	207,833	249,458	6,699	6,699	214,532	463,990	5.30%	2,184	
2016	209,672	15,729	201,160	225,401	6,434	6,434	207,594	432,995	4.94%	1,959	
2017	201,678	13,121	194,371	214,799	6,368	6,368	200,739	415,538	4.52%	1,823	
2018	186,217	10,456	187,406	196,673	6,243	6,243	193,649	390,322	4.13%	1,650	
2019	270,245	7,777	272,099	278,022	5,917	5,917	278,016	556,038	5.47%	2,276	

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(2) Includes Certificates of Participation.

FORSYTH COUNTY, GEORGIA

TABLE 10A
OTHER LONG-TERM LIABILITIES
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Compensated Absences	Total OPEB Liability	Claims Payable	Net Pension Liability	Total	Compensated Absences	Landfill Closure / Postclosure	Total			
2010	\$ 6,700	\$ 373	\$ 2,010	\$ -	\$ 9,083	460	\$ 1,943	\$ 2,403	\$ 11,486	0.17%	\$ 64
2011	4,623	546	2,070	-	7,239	389	1,859	2,248	9,487	0.13%	52
2012	5,460	731	2,230	-	8,421	437	1,793	2,230	10,651	0.13%	57
2013	5,498	731	2,360	-	8,589	470	1,718	2,188	10,777	0.13%	55
2014	5,980	243	4,160	-	10,383	533	1,634	2,167	12,550	0.14%	61
2015	7,056	347	4,693	5,511	17,607	618	1,676	2,294	19,901	0.23%	94
2016	7,148	7	5,326	4,954	17,435	617	1,717	2,334	19,769	0.23%	89
2017	7,766	2,229	4,527	2,363	16,885	697	1,617	2,314	19,199	0.21%	84
2018	8,530	5,669	5,547	4,652	24,398	724	1,050	1,774	26,172	0.28%	111
2019	9,826	5,804	3,782	3,647	23,058	718	980	1,698	24,756	0.24%	101

Note: Details regarding the County's long-term liabilities can be found in the notes to the financial statements.

(1) The County implemented GASB 75 in 2018.

FORSYTH COUNTY, GEORGIA

TABLE 11
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
 Last Ten Fiscal Years
 (amounts expressed in thousands, except per capita amounts)

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2010	\$ 137,210	\$ 28,308	\$ 108,902	0.50%	\$ 608
2011	126,340	29,941	96,399	0.47%	530
2012	116,395	30,118	86,277	0.43%	459
2013	128,277	20,232	108,045	0.54%	553
2014	152,756	18,403	134,353	0.64%	658
2015	241,561	15,569	225,992	0.99%	1,064
2016	209,672	15,735	193,937	0.80%	878
2017	201,678	16,616	185,062	0.71%	812
2018	186,217	15,077	171,140	0.64%	723
2019	270,245	14,198	256,047	0.80%	1,048

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
 (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
 (2) See the Schedule of Demographic and Economic Statistics for population data.

FORSYTH COUNTY, GEORGIA

TABLE 12
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 as of December 31, 2019
 (amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Overlapping Forsyth County School District	\$ 487,783	100.00%	\$ 487,783
Forsyth County direct debt	278,022	100.00%	278,022
Total direct and overlapping debt	<u>\$ 765,805</u>		<u>\$ 765,805</u>

Assessed value data used to estimate applicable percentages provided by the State Department of Revenue.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the county. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and, therefore, responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

FORSYTH COUNTY, GEORGIA

TABLE 13
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 (amounts expressed in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed value of property	\$ 9,898,929	\$ 9,239,290	\$ 8,927,173	\$ 8,788,357	\$ 9,266,966	\$ 10,840,629	\$ 11,008,470	\$ 12,036,163	\$ 13,749,765	\$ 15,015,060
Debt limit (10% of total assessed value)	989,893	923,929	892,717	878,836	926,697	1,084,063	1,100,847	1,203,616	1,374,979	1,501,506
Amount of Debt applicable to limit:										
General obligation bonds	137,210	126,340	116,395	128,277	152,756	241,561	209,672	201,678	186,217	270,245
Less: Resources restricted to paying principal	(28,308)	(29,941)	(30,118)	(20,232)	(18,403)	(15,569)	(15,735)	(16,616)	(15,077)	(14,198)
Total net debt applicable to limit	108,902	96,399	86,277	108,045	134,353	225,992	193,937	185,062	171,140	256,047
Legal debt margin	\$ 880,991	\$ 827,530	\$ 806,440	\$ 770,791	\$ 792,344	\$ 858,071	\$ 906,910	\$ 1,018,554	\$ 1,203,839	\$ 1,245,459
Total net debt applicable to the limit as a percentage of debt limit	11.00%	10.43%	9.66%	12.29%	14.50%	20.85%	17.62%	15.38%	12.45%	17.05%

FORSYTH COUNTY, GEORGIA

TABLE 14
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Income (loss) of the System (1)	\$ (1,436,341)	\$ 1,012,254	\$ (1,337,660)	\$ (5,425,799)	\$ (8,361,641)	\$ (1,076,752)	\$ 1,627,371	\$ (5,440,848)	\$ (2,075,010)	\$ (6,457,321)
Plus:										
Interest on debt	4,051,666	4,093,307	4,173,406	5,583,710	5,448,408	5,750,271	5,072,477	4,048,005	6,390,645	7,449,371
Depreciation and amortization	8,561,985	8,511,777	9,618,850	10,999,962	10,962,318	11,111,499	11,561,154	14,025,321	14,633,880	15,871,628
	11,177,310	13,617,338	12,454,596	11,157,873	8,049,085	15,785,018	18,261,002	12,632,478	18,949,515	16,863,678
Connection fees accounted for as capital contributions (2)	3,643,620	4,232,584	8,096,947	10,032,721	13,415,495	15,393,622	15,312,240	14,810,270	14,083,395	13,702,780
Cash flow available for debt service	14,820,930	17,849,922	20,551,543	21,190,594	21,464,580	31,178,640	33,573,242	27,442,748	33,032,910	30,566,458
Annual debt service requirements	9,573,142	9,558,043	9,326,312	9,376,888	9,228,926	9,128,188	12,237,077	12,819,339	13,150,296	14,187,357
Debt service coverage ratio	1.55	1.87	2.20	2.26	2.33	3.42	2.74	2.14	2.51	2.15

(1) Represents the income (loss) of the Water and Sewerage Authority before capital contributions and transfers.

(2) Represents the cash portion of capital contributions.

Source: Applicable year's comprehensive annual financial report.

FORSYTH COUNTY, GEORGIA

TABLE 15
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (amounts expressed in thousands) (1)	Per Capita Personal Income	Median Age	Education Level as a Percent of Population 25 yrs & over			School Enrollment	Unemployment Rate
					High School or Higher	Bachelor's Degree or Higher	School Enrollment		
2010	179,003	\$ 6,847,034	\$ 38,251	34	90.6%	43.6%	34,362	8.20%	
2011	181,840	7,519,814	41,354	n/a	90.6%	42.8%	35,945	7.30%	
2012	187,928	7,895,805	42,015	n/a	n/a	n/a	39,190	6.50%	
2013	195,405	8,290,595	42,428	37	91.1%	43.3%	40,691	5.30%	
2014	204,302	8,705,125	42,609	37	91.4%	43.8%	42,435	5.30%	
2015	212,438	8,758,500	41,228	37	91.6%	44.6%	44,286	4.40%	
2016	221,009	8,760,500	39,639	38	92.0%	45.6%	46,238	4.50%	
2017	227,967	9,184,200	40,287	38	94.4%	48.3%	47,732	3.40%	
2018	236,612	9,439,872	39,896	38	92.5%	50.2%	49,657	3.10%	
2019	244,252	10,157,219	41,585	38	92.5%	51.7%	51,000	2.20%	

Data sources:

Bureau of the Census/County Regional Planning Commission, U.S. Census Bureau, U.S. Department of Commerce - Bureau of Economic Analysis (BEA)*, State Department of Labor, State Department of Commerce, and Georgia Department of Education.

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

(1) Personal income statistics provided by BEA.

FORSYTH COUNTY, GEORGIA

TABLE 16
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Forsyth County School System	6,000	1	5.05%	4,182	1	5.29%
Northside Hospital - Forsyth	3,100	2	2.61%	1,500	2	1.90%
Forsyth County Government	1,479	3	1.25%	1,109	4	1.40%
Koch Foods	1,200	4	1.01%	1,100	5	1.39%
Scientific Games International, Inc.	1,110	5	0.93%	1,098	6	1.39%
Tyson Foods, Inc.	1,110	6	0.93%	1,200	3	1.52%
Siemens Industry, Inc.	700	7	0.59%	1,000	7	1.26%
ARRIS Group, Inc.	600	8	0.51%			0.00%
Baran Telecom, Inc.	475	9	0.40%			
American BOA, Inc.	350	10	0.29%	281	10	
L3 Communications				286	9	0.36%
Wal-Mart				400	8	0.51%
All other employers	102,613		86.42%	66,901		84.62%
Total	118,737		100.00%	79,057		99.64%

Source: Cumming-Forsyth Chamber of Commerce, Bond Documents and Forsyth County Planning and Development, and Georgia Department of Labor.

FORSYTH COUNTY, GEORGIA

TABLE 17
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
 Last Ten Fiscal Years

	Full-time Equivalent Employees as of December 31									
Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government (1)	168	170	172	171	187	195	200	215	207	191
Judicial	108	119	124	116	110	115	125	138	143	150
Public Health and Welfare	25	27	28	29	29	22	35	47	37	58
Public Safety										
Police	366	367	373	331	328	358	395	436	425	438
Officers	289	285	295	273	268	302	332	398	349	357
Civilians	77	82	78	58	60	56	63	38	76	81
Fire	148	148	145	151	172	166	192	196	180	205
Firefighters and officers	140	140	138	145	166	160	184	187	156	186
Civilians	8	8	7	6	6	6	8	9	24	19
E-911 and Coroners Office	38	37	38	38	41	39	40	48	43	52
Public Works	77	77	79	78	76	77	80	84	102	109
Recreation and Culture	59	60	64	63	65	67	71	74	76	77
Housing and Development	34	35	37	39	47	42	51	61	59	75
Solid Waste	9	9	9	7	6	8	9	9	11	11
Water & Sewer	73	71	74	74	78	78	99	110	106	113
Total	1,105	1,120	1,143	1,097	1,139	1,167	1,297	1,418	1,389	1,479

Source: Forsyth County's Personnel Services Department

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

(1) Includes Internal Service departments that fall under the general government category.

FORSYTH COUNTY, GEORGIA

TABLE 18
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sheriff										
Physical arrests	5,337	5,032	4,523	4,528	4,920	(3)	6,727	5,678	6,037	6,102
Traffic violations	39,791	30,024	17,140 (1)	11,357 (1)	12,985 (1)	(3)	(3)	18,720	20,963	22,258
Fire										
Number of calls answered	11,530	11,566	12,361	12,738	12,799	13,283	13,873	14,993	14,441	14,771
Inspections	3,556	3,897	3,056	2,280	3,422	5,918	7,608	6,422	7,060	10,015
Highways and streets										
Street resurfacing (miles)	80	60	73	46	49	57	65	63	53	56
Potholes repaired	502	305 (2)	322	397	558	235	389	525	801	2,307
Sanitation										
Refuse collected (tons/day)	6	6	6	6	5	6	6	7	7	7
Recyclables collected (tons/day)	5	6	6	6	5	8	5	6	8	7
Water										
New connections	894	1,043	1,603	2,064	2,120	2,566	2,282	2,143	2,009	1,408
Water mains breaks	52	72	61	48	60	60	91	86	59	61
Average daily consumption (thousands of gallons)	11,650	12,160	11,900	10,750	11,998	12,830	15,210	14,241	14,784	15,797
Wastewater										
Average daily sewage treatment (thousands of gallons)	4,124	3,900	3,700	2,740	2,553	2,894	3,222	3,372	3,881	4,897

Sources: Various county departments including Fire, Sheriff's Office, Engineering, Water and Sewer, and Solid Waste.

(1) Based on discussions with management the traffic citations decreased at the direction of the Sheriff.

(2) The County experienced significant repairs and improvements in 2009 and 2010, which were unusually high.

(3) Information is not available for 2015 or 2016.

FORSYTH COUNTY, GEORGIA

TABLE 19
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety										
Sheriff:										
Precincts	2	2	2	2	2	2	2	2	2	2
Number of vehicles	317	338	338	324	316	374	391	345	349	353
Fire:										
Stations	13	13	13	12	12	12	12	13	13	13
Number of vehicles	67	63	65	66	90	94	95	95	90	86
Highways and streets										
Streets (miles)	1,095	1,099	1,109	1,114	1,128	1,157	1,169	1,165	1,158	1,186
Streetlights	-	-	22	22	33	66	66	72	72	73
Traffic signals	65	71	70	70	71	71	71	71	73	71
Culture and recreation										
Parks acreage	2,600	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	2,820
Parks	18	18	23	23	23	23	25	25	25	25
Baseball/softball fields	52	52	52	52	52	52	52	52	52	52
Tennis courts	36	36	36	36	36	36	36	36	36	36
Soccer/Football fields	23	24	24	24	24	24	28	32	32	32
Playgrounds	14	14	20	20	20	21	21	21	21	21
Community centers	6	6	5	5	5	5	5	5	5	8
Water										
Water mains (miles)	939	949	941	948	963	986	1,009	1,051	1,065	1,088
Fire hydrants	6,413	6,450	6,562	6,718	6,681	9,473	9,481	9,677	8,254	11,062
Sewer										
Sanitary sewers (miles)	483	509	478	497	509	538	562	601	613	651

Sources: Various county departments.

Note: No capital asset indicators are available for the general government function.

FORSYTH COUNTY, GEORGIA

TABLE 20
WATER SYSTEM STATISTICS
 Last Ten Fiscal Years

Fiscal Year	Average Daily Demand (1)	Maximum Daily Demand (1)	Water System Accounts (2)	Sewer System Accounts (2)
2010	11.70	19.20	44,631	16,974
2011	12.16	21.05	47,111	19,686
2012	11.90	22.05	48,745	21,076
2013	10.75	17.94	50,352	22,983
2014	12.00	17.24	52,309	24,830
2015	12.83	21.09	54,951	27,201
2016	15.21	24.17	57,419	29,136
2017	14.24	20.01	59,365	30,867
2018	14.78	19.95	61,632	32,533
2019	15.80	23.08	62,880	33,708

(1) Millions of gallons per day (MGD).

(2) Number at year end.

COMPLIANCE SECTION



2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Board of Commissioners
of Forsyth County, Georgia
Cumming, Georgia**

We have audited, in accordance with the 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, the 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 Forsyth County, Georgia (the "County") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 16, 2020. Our report includes a reference to other auditors who audited the financial statements of the Forsyth County Health Department, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Our report also includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, as of January 1, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Forsyth County, Georgia's Response to the Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs and management's corrective action. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
July 16, 2020



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**Board of Commissioners
of Forsyth County, Georgia
Cumming, Georgia**

Report on Compliance for Each Major Federal Program

We have audited Forsyth County, Georgia's (the "County's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2019. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
July 16, 2020

FORSYTH COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF JUSTICE			
Passed through the Criminal Justice Coordinating Council:			
VOCA Victims Assistance Grant (Sheriff)	16.575	C17-8-034	\$ 50,411
VOCA Victims Assistance Grant (District Attorney)	16.575	C17-8-171	74,513
VOCA Compensation Advocate Grant (District Attorney)	16.575	C17-8-170	9,305
VOCA Victims Assistance Grant (Sheriff)	16.575	C18-8-227	13,452
VOCA Victims Assistance Grant (District Attorney)	16.575	C18-8-264	21,168
VOCA Compensation Advocate Grant (District Attorney)	16.575	C18-8-263	9,175
			178,024
Equitable Sharing Program	16.922	GA-0580000	134,834
Total U.S. Department of Justice			312,858
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through the Georgia Department of Transportation:			
Formula Grants for Other than Urbanized Areas	20.509	T006250	79,858
Formula Grants for Other than Urbanized Areas	20.509	T006341	107,087
			186,945
Comprehensive Public Transportation Master Plan	20.507	5307	150,000
Total Federal Transit Cluster			150,000
Passed through the Georgia Department of Transportation:			
Highway Planning and Construction Cluster	20.205	12639	21,878
Passed through the Governor's Office of Highway Safety:			
Highway Enforcement Aggressive Traffic (H.E.A.T.)	20.600	GA-2019-402PT-092-C4	182,201
Total Highway Safety Cluster			182,201
Total U.S. Department of Transportation			541,024
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the Legacy Link, Inc:			
Special Programs for the Aging: Title III, Part B	93.044	427-93-07070254-99	10,450
Special Programs for the Aging: Title III, Part C	93.045	427-93-07070254-99	291,478
Nutrition Services Incentive	93.053	427-93-07070254-99	26,448
Total Aging Cluster			328,376
Passed through the Legacy Link, Inc:			
Social Services Block Grant	93.667	427-93-07070254-99	18,298
Passed through Deanna, Inc:			
Congregate Meal Transportation - TANF Cluster	93.558	427-93-07070254-99	75,906
Total U.S. Department of Health and Human Services			422,580
U.S. DEPARTMENT OF DEFENSE			
Passed through the Office of the State Treasurer of Georgia:			
Payments in Lieu of Taxes - Flood Lands	12.112	2019	216,033
U.S. DEPARTMENT OF THE INTERIOR			
Payments in Lieu of Taxes	15.226	2019	53,877
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Passed through the Office of the Natural Resources of Georgia:			
Fourmile Creek Water Quality Improvement Project	66.460	31300010803	120,480
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through Georgia Emergency Management Agency:			
Emergency Management Performance Grant	97.042	OEM19-060	50,000
Passed through Federal Emergency Management Agency:			
Staffing for Adequate Fire and Emergency Response Grant	97.083	EMW-2017-FH-00604	421,384
Hazard Mitigation Grant Program	97.039	HMPG-4215-0010	387,802
Total U.S. Department of Homeland Security			859,186
Total Expenditures of Federal Awards			\$ 2,526,038

See accompanying notes to schedule of expenditures of federal awards.

FORSYTH COUNTY, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

(1) Summary of Significant Accounting Policies

Basis of Presentation and Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred.

In instances where the grant agreement requires the County to match grant awards with local funds, such matching funds are excluded in the accompanying Schedule of Expenditures of Federal Awards.

Federal grant programs which are administered through State agencies (pass-through awards) have been included in this report. These programs are operated according to Federal regulations promulgated by the Federal agency providing the funding.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

The County did not utilize the 10% de minimus indirect cost rate permitted by the Uniform Guidance.

FORSYTH COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified? yes no

Significant deficiencies identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

Material weaknesses identified? yes no

Significant deficiencies identified? yes none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
12.112	Payments in Lieu of Real Estate Taxes (Flood Control Lands)
97.083	Staffing for Adequate Fire and Emergency Response Grant
97.039	Hazard Mitigation Grant Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

FORSYTH COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2019-001 Revenue Recognition

Criteria: Internal controls should be in place to ensure that revenue is properly recognized in the financial statements of the County in accordance with generally accepted accounting principles (GAAP).

Condition: Internal controls were not sufficient to timely detect material misstatements related to the reporting of the County's revenues.

Context/Cause: During our testing of governmental revenues in the Transportation Bond Fund, we noted that the County had removed revenue, that was received and properly recognized in the prior year, and credited a liability account. By doing this, the County had understated revenues and liabilities as of year-end. An entry of \$500,000 was required to properly state revenues and liabilities as of December 31, 2019.

Effects: As a result of the issue noted above, the total misstatement related to the reporting of revenues was \$500,000.

Recommendation: We recommend the County carefully review the recognition of all monies received in order to ensure that revenue is properly recognized.

Auditee's Response: We concur with the finding. We will implement policies and procedures to ensure amounts are reported correctly with regard to revenues.

FORSYTH COUNTY, GEORGIA

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019**

2018-001 Reporting of Capital Assets

Condition: Internal controls were not sufficient to timely detect material misstatements related to the reporting of the County's capital assets.

Status: This issue was corrected during the current fiscal year.



Forsyth County Finance Department

DAVID G. GRUEN, Chief Financial Officer

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2019

2019-001 Revenue Recognition

Name of the Contact Person Responsible for the Corrective Action Plan: David G. Gruen, Chief Financial Officer.

Corrective Action Plan: An additional layer of internal controls has been put in place. The County Finance Director will consult with the retained audit firm to confirm unusual transactions are reviewed and advised for correct processing prior to year-end audit.

The Finance Director along with other finance staff will carefully review the recognition of all monies received in order to ensure the revenue is properly recognized.

Anticipated Completion Date: March 31, 2020