



FAYETTE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2020



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For the Fiscal Year Ended June 30, 2020

*Prepared by the
Fayette County Finance Department*

**Fayette County, Georgia
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

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INTRODUCTORY SECTION

January 22, 2021

Honorable Randy Ognio Chairman,
Members of the Board of Commissioners,
and the Citizens of Fayette County, Georgia

The Comprehensive Annual Financial Report (CAFR) of Fayette County, Georgia for the fiscal year ended June 30, 2020, is hereby submitted as mandated by both Local ordinances and State statutes. These ordinances and statutes require that Fayette County, Georgia issue a report on its financial position and activity on an annual basis, and this report is to be audited by an independent firm of certified public accountants.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, Fayette County has established a comprehensive internal control framework whereby the cost of a control does not exceed the benefits to be derived, as the objective is to provide reasonable, rather than absolute assurance. These internal controls are 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 accordance with generally accepted accounting principles (GAAP). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds, account groups, and component units of Fayette County, Georgia. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Fayette County's financial statements have been audited by Nichols, Cauley & Associates, LLC, a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Fayette County, Georgia for the fiscal year ended June 30, 2020, 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 (i.e., clean) opinion that the Fayette County, Georgia's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section and can be found on pages 18 through 20.

Accounting principles generally accepted in the United States of America require 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 the MD&A section. Management's Discussion and Analysis is located in the Financial Section of this report and can be found immediately following the report of the independent auditors on pages 21 through 38.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this letter of transmittal; a list of Fayette County's principal officials, department directors and elected officials; an organizational chart; and maps of the local area to add some visual perspective. The Financial Section includes the management's discussion and analysis, basic financial statements, required supplementary information, combining and individual funds financial statements and schedules, as well as the independent auditor's report on these financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

REPORTING ENTITY

The financial reporting entity (Fayette County, Georgia) includes all the funds of the primary government, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and included as part of the primary government. The Fayette County Public Facilities Authority (PFA) is included as a blended component unit.

Discretely presented component units are reported, as a separate column, in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from the primary government. The Fayette County Development Authority and the Fayette County Department of Public Health are reported as discretely presented component units.

The County provides a full range of services to its estimated 119,400 citizens. Some of the services which are available to at least a portion of those residents include law enforcement and fire protection; emergency medical services; court systems; library services; the construction and maintenance of highways, streets and infrastructure; stormwater maintenance; environmental management; fleet maintenance; buildings and grounds maintenance; tax assessment and collection; planning and zoning; building safety permitting and inspections; recreational activities and cultural events; and inherent administrative support services.

The County also operates a potable water distribution system and a solid waste management system, which are shown as Enterprise Funds in this report. The stormwater utility was eliminated effective January 1, 2018. This utility with its associated assets were closed and transferred to Environmental Management within the General Fund during FY2018. The Water System was established in 1965 and serves 31,543 customers in the unincorporated areas of the County and through the County owned distribution systems in the City of Peachtree City and the Towns of Tyrone and Woolsey. By contractual agreement, the County also operates the system owned by the Town of Brooks. The Water System also wholesales water to the City of Fayetteville pursuant to a wholesale water contract which expires in 2034.

PROFILE OF THE GOVERNMENT

Fayette County, which was established in 1821, is a body corporate and politic organized and existing under the Constitution and the laws of the State of Georgia. Encompassing only about 199 square miles, it is one of the smaller counties in the State in terms of area. Fayette County is geographically located in the northwestern part of Georgia about 15 miles south of the city limits of Atlanta and is considered an integral part of the Metro Atlanta area.

The governing authority of Fayette County is a Board of Commissioners consisting of five elected members. The commissioners serve on a part-time basis and are elected to staggered terms of four years. Fayette County holds district voting in four districts with one district electing at-large. Four commissioners are elected by the citizens in their respective district, while the fifth commissioner is elected at-large. At their first meeting each calendar year, the Commission Chairman and Vice-Chairman are selected by the Board.

In their policy making capacity, the Board of Commissioners is authorized to levy taxes; direct and control all property of the County; establish, alter, or abolish roads and bridges; examine, settle and allow claims against the County; examine and audit the accounts of all officers having the care, management, keeping, collection, or disbursement of money belonging to the County; establish the cost of licenses; and make such rules and regulations as necessary for the protection and preservation of health, safety, welfare, and morals. The Board of Commissioners appoints the County Administrator who serves as the County's chief administrative officer. The County Administrator is responsible for the daily operations of all County functions in accordance with the policies of the Board of Commissioners.

DISTINGUISHING ATTRIBUTES OF FAYETTE COUNTY

Fayette County is bordered on the north by Fulton County, on the east by Clayton County, on the south by Spalding County, and on the west by Coweta County. This immediate area located just south of Atlanta is often referred to as the Southern Crescent. Incorporated communities located within the County, include Fayetteville, which is the County seat; along with Brooks; Peachtree City; Tyrone and Woolsey.

An important attribute of Fayette County is its location in relationship to major transportation modes and the availability of a number of cost-effective alternatives for moving people and goods in the immediate area. Commercial air service is available at Hartsfield-Jackson International Airport which is a major hub for the air transportation business and is located just north of the County. Falcon Field which is located on the western side of the County serves as a local public airport for light aircraft including small jets.

For those wishing to travel by vehicle, the County is strategically located in close proximity to five interstate highway systems, I-20, I-75, I-85, I-675 and I-285. In addition, several principal arterial roadways, such as State Highways 54, 74, 85, 92, 279 and 314, pass through the County. Citizens also have fairly easy access to the public transportation systems which serves the immediate Atlanta area.

Other transportation needs can also be easily accommodated. For any business that might have a need to move freight, there is direct railway service which is provided by CSX Railroad along the western portion of the County. For motor freight needs, there is access to eight national or regional terminals. In addition, Savannah, Georgia and Jacksonville, Florida serve as major deep-water seaports which can be easily reached by interstate highway in a matter of hours.

Fayette County's official letterhead contains the phrase, "Create Your Story", encouraging individuals to move to the county and begin their families, lives, and careers. The County is considered by many to be the "crown jewel" of Metro Atlanta's many fine communities and thus is the destination many residents have chosen as their home. Being considered a relatively safe community is a critical "quality of life" attribute provided by our public safety efforts. Historic data has shown Fayette County to have a very low crime rate within the Metropolitan Atlanta area. Crime statistics provided by the Fayette County Sheriff's Office for 2019 showed serious crimes were down 27 percent compared to 2018. The ISO class 3/3Y rating that the County's Fire Department has attained for its service level results in our residents paying less for their home insurance premiums.

The United States Census Bureau estimates the median age of the County's population to be 43.1 years. Further breakdown reveals that 18.7 percent of our population is over 65 years of age, which is about 6.3 percent higher than the average of the other Metro Counties. To help serve the medical needs of this older population, the Piedmont Fayette Hospital is a 282-bed state-of-the-art facility that opened in September of 1997 and provides a full range of health services. Fayette County also boasts of having an excellent education system for the children that live in the community. The graduation rate for Fayette County students for 2020 was 91.3 percent compared to a State-wide average of 83.8 percent. Of the Fayette County residents that have received their high school diploma, 46.5 percent obtained a bachelor's degree or higher. The 2020 average Scholastic Aptitude Test (SAT) scores for Fayette County students was 1124 and compares quite favorably to the National average of 1030. The American College Testing (ACT) scores reported were 23.6 for Fayette County, 21.7 for Georgia and 20.6 nationwide. All five Fayette County high schools landed in the top 20 percent for ACT scores. Fayette was eighth in school district rankings in the state based on the 2018-2019 school year test scores. However,

due to the disruption caused by COVID-19, the Georgia Department of Education did not administer assessments for the 2019-2020 school year.

ECONOMIC CONDITIONS

Environmental Scan: The local economic conditions and operating environment for Fayette County, Georgia are often times directly or indirectly impacted by not only what is occurring in the United States but also globally. Thus, performing a scan of economic environments, both nationally and internationally, can be helpful in establishing the proper perspective for economic analysis on the local level. Following the COVID-19 pandemic, some of the more important economic metrics regarding financial activity in calendar year 2020 are highlighted in the following bullet points:

- Real gross domestic product (GDP) decreased 31.4 percent in the second quarter;
- Disposable personal income increased 44.3 percent in the second quarter;
- Residential housing starts increased by 3.2 percent over 2019;
- U.S. International Trade Balance deficit increased by 1.7 billion, or 3.3 percent, between June 2019 and June 2020.

Local Economy: Fayette County is strategically located just south of Atlanta in close proximity to three interstate highways, I-75, I-85 and I-285. It is just a short commute to the City of Atlanta, which is considered the Business Capital of the New South. Hartsfield-Jackson International Airport, the world's busiest, and one of the more significant economic engines for the south side of Atlanta, is located just north of the County.

Fayette County continues to benefit economically by being an integral part of one of the historically top growth areas in the United States. The Metropolitan Atlanta region represents one of the nation's primary transportation and distribution centers as well as being a major financial and consumer services leader. Georgia's geographically central location for domestic distribution, excellent surface transportation system, telecommunications infrastructure and proximity to major consumer markets make the State an excellent base for air cargo operations.

Again, in performing a more localized environmental scan, Fayette County has an outstanding labor force, abundant higher education opportunities, a favorable business climate, a wide range of leisure opportunities and high-quality housing. Each of these factors continues to make Fayette County an attractive place to live, work and play.

Fayette County is home to a highly skilled labor force. The majority of workers in the county are either high school graduates or have obtained their GED or have at least some college training. Figures published by the U.S. Bureau of Labor Statistics indicate that there were 51,483 Fayette County residents that were employed as of June 30, 2020. Many residents commuted outside the County for employment. The two most frequent destinations for Fayette County's work force are Fulton and Clayton Counties. This is no real surprise given that the airport is located mainly in Clayton County and the Central Business District (i.e., Downtown Atlanta) is located in Fulton County.

Statistics from the Georgia Department of Labor indicate that in 2019 there were 3,778 industries located in Fayette County that produced 45,658 jobs. Of that total, 474 industries were labeled as “Goods-Producing” and accounted for 7,735 jobs, or 16.9 percent of the total. By far, the largest component was the “Service-Providing” industries. That segment totaled 3,030 firms and represented 32,447 jobs or 71.1 percent of the total. Based on those numbers, it can also be said that Fayette County has a fairly broad industry mix and its economic well-being is not dependent on the success of any one employer or industry.

Prior to the COVID-19 outbreak, Atlanta and the Metro region had significantly enjoyed economic stability. In the past, the Atlanta business community has benefited from several strengths of the region which include having a diverse economic base; experiencing strong in-migration and population growth; serving as a transportation, distribution and cultural center; and offering a business-friendly environment. These factors contributed greatly to economic recovery in the region. The COVID-19 crisis has undoubtedly left a negative impact on not only the local economy but the global economy as a whole. Sadly, one of the obvious effects of the pandemic has been job loss, with low-income employment being impacted the most.

The near-term economic forecast remains strong. As businesses tentatively reopen after imposed lockdowns we should begin to see a rise in the economy following the great slump. However, the rate of growth is expected to be slow.

The economic outlook for Fayette County remains stable as a result of prudent planning to eliminate deficit budgeting. This proactive approach has enabled the County to maintain a strong financial position. Property values are rising and there is significant new construction in the county resulting in an increase in the 2020 tax digest of 5.4 percent. One of the benefits of having a skilled work force is that the unemployment rate continues to be below the state average. For June 2020, the rate for Fayette County was 7.1 percent, compared to the state and national average of 8.0 percent and 11.1 percent, respectively.

The quality and quantity of services provided by the County to its residents are second to none. In Fayette County, one will find one of the highest ranked school systems in Georgia, one of the lowest crime rates in the Metro-Atlanta area, and an efficient County government with one of the lowest millage rates and service costs per capita in the State. Each of these quality of life factors combines to make the County an extremely attractive place in which to reside.

Economic Forecast: Based on the economic information that is currently available, one can make certain projections about the economic conditions that Fayette County will face during its next operating cycle. The more relevant highlights from the economic forecast prepared by The Balance include the following projections:

- Nationwide, unemployment is expected to drop to an average rate of 5.5 percent in 2021, after it peaked at 14.7 percent in April 2020;
- Gross Domestic Product (GDP) growth rate is expected to contract by 3.7% in 2020. It may rebound up to a 4.0% growth rate in 2021;
- Inflation will average 1.7 percent in 2021.

MAJOR INITIATIVES

Several significant projects were undertaken in fiscal year 2020. One of the largest of the Stormwater projects, the Old Senoia Road project, was completed in 2020. Another major Stormwater project, the Broom Blvd project, was also completed in March 2020. Two notable public safety projects that were started in 2018 -- construction of a new Fire Station #4 and replacement of the county-wide public safety radio system -- continued into 2020. The new radio system will provide enhanced, state-of-the-art communication capability.

Several road/transportation projects were completed in 2020, including the reconstruction of Swanson Road. Additionally, multiple vehicle and large equipment purchases were made to facilitate the county's operations.

Several other projects were completed during fiscal year 2020, including tennis court resurfacing at both Kenwood and Kiwanis Parks, as well as resurfacing basketball courts at Kenwood Park. Other improvement projects completed, include the historic Courthouse interior refurbishments, upgrades to the Fuel Management System and fencing at McCurry Park.

As noted earlier, a large percentage of our residents are employed in other counties so a good road system is needed to make the daily commute easier for them. An effective road system is also needed to move those goods being manufactured by our local industries and to attract new businesses. It is important to our business community to make travel as pleasant as possible for those that want to work and shop in the County. Additionally, Fayette County is participating in the Local Maintenance & Improvement Grant (LMIG) program that helps local governments make needed improvements to local and state roads. The grant requires a match of approximately 30 percent from the County. Unincorporated Fayette County was awarded \$918,220 for the 2020 LMIG program.

There are numerous roads that are in process or continuing to need major repairs. Fayette County was awarded disaster grant reimbursement for several of the December 2015 storm damages. As the projects are completed, FEMA and GEMA are expected to contribute 87.5%, or approximately \$1.7M, of the \$2.0M cost to repair the washed out and damaged roads. To date, the County has been reimbursed approximately \$958,000. The remaining reimbursement will be received when completion of the projects is verified after a final examination by FEMA.

Fayette County continues to strategically position itself for future growth and the maintenance of the current quality of life of our citizens. With the population of the Metropolitan Atlanta Statistical Area over 6 million, the availability of potable water is becoming one of the most important attributes affecting growth patterns in the future. Where businesses decide to locate in the future could be determined by the availability of this precious resource. With the addition of Lake McIntosh in 2013, which is a 650-acre raw water reservoir located on Line Creek which borders Fayette and Coweta Counties, total raw water reserves should be sufficient to meet our customers' potable water needs for years to come.

LONG-TERM FINANCIAL PLANNING

The financial position of the County has strengthened over the past year; the General Fund operating fund balance increased by \$1,841,930. This was due in part to careful budget management and cost control.

In February 2015, Moody's upgraded Fayette County's bond rating to the highest possible of 'Aaa'. Moody's is the second rating agency to upgrade the County following the Standard & Poor's AAA upgrade in August 2014. The latest rating update shows that Fayette County still maintains these high ratings. This is confirmation that the County continues to demonstrate sound financial performance, as echoed in Moody's Annual Comment on Fayette County in April 2020. In the comment Moody's states "The credit position for Fayette County is very strong. Its Aaa rating is stronger than the US counties median of Aa2."

The intergovernmental agreement between Peachtree City, City of Fayetteville, Town of Tyrone, Town of Brooks, and Fayette County; for the distribution of Local Option Sales Tax (LOST) proceeds established how the LOST proceeds are to be distributed for the years 2013 through 2022. This agreement of how local option sales tax proceeds will be allocated has enabled the County to continue its reduction of dependence on ad valorem taxes to support the General Fund.

As is the case with most local governmental entities, the majority of services provided by Fayette County are funded through an ad valorem tax levied against real and personal property. As the economy is recovering and the real estate market is fairly stabilized, this source of funding is returning to its pre-recession level. Market value of existing homes continues to rise and new construction is ongoing. According to the Georgia Department of Revenue, the Net Maintenance and Operation (M&O) Tax Digest for Fayette County increased by \$449,405,947 or 7.6 percent from January 1, 2018 to January 1, 2019. From January 1, 2019 to January 1, 2020 there was an increase of \$321,639,589 or 5.1 percent. These increases in property values, as well as strong retail sales, indicate the continued strength of the economy.

Additionally, ad valorem tax revenues are supplemented by the Title Ad Valorem Tax ("TAVT"). This tax replaced both the sales tax and yearly ad valorem, or "birthday tax" on vehicles purchased after January 1, 2012. An annual statutory recalculation of the distribution percentage determined that 52.4 percent of TAVT revenue went to local governments in calendar year 2019. However, House Bill 329, effective July 1, 2019, did away with the annual calculation and fixes the TAVT allocations at 35.0% to be distributed monthly to the State and 65.0% to be distributed monthly to Local Governments.

Prior to fiscal year 2014, to fund operations of the County, fund balance was extensively used to cover the excess of expenditures over revenues. Starting in FY 2014 and continued in FYs 2015, through FY2020, the Board of Commissioners adopted cost saving initiatives that discontinued deficit budgeting without any impact to service delivery. The Board continues to demonstrate a

long-term commitment to fiscal conservatism and efficiency while maintaining an outstanding level of customer service to its citizens.

The Capital Improvement Program (CIP) plan was updated reflecting a continued focus on establishing critical needs for the upcoming five-year period. In the FY 2021 adopted budget, \$3,133,018 is projected to come from the Assigned CIP General Fund Balance to fund projects, \$644,827 is projected to come from Fire Services fund balance, and \$53,200 is projected to come from Emergency Medical Services (EMS) fund balance. Water System Projects total \$2,213,250. Available funds from prior year projects that were completed or determined to not be a priority were re-appropriated and designated as Contingency project funds to be used for additional projects approved during the fiscal year. FY 2021, the Contingency projects accounts included the following: \$467,733 in General Fund Projects Contingency, \$360,276 in Special Revenue Funds Projects Contingency and \$122,182 in Recreation Projects Contingency. In FY2021, a proactive approach will be taken to determine when projects are completed and to move any available funds to keep replenishing the Contingency projects account.

In March 2017, County residents voted to pass the new SPLOST 2017. Funding is allocated to the entities including City of Fayetteville, Peachtree City, Town of Tyrone, Town of Brooks, and Fayette County based upon a pre-approved list of projects provided by each entity. The total SPLOST collections from July 1, 2017 through June 30, 2023, is estimated at \$141M for the six-year period. Each entity is allocated funding based upon a pre-approved percentage. The County's allocation will be used to fund the construction of a new Fire Station #4 and replacement of the County Wide Public Safety radio system, as well as numerous Stormwater and Transportation projects. One of the notable Stormwater projects, the Old Senoia Road project, was put into service in FY2020 at a cost of \$917,254. The project entailed the replacement of three 96" metal pipes that failed during the December 2015 flooding event.

CASH MANAGEMENT POLICIES AND PRACTICES

Cash temporarily idle during the year was invested in accordance with allowable investments per Georgia law. The County earned net interest income of \$2,288,200 on all investments of the Governmental and Proprietary Fund-Types for the year ended June 30, 2020. Fluctuation in rates due to uncertain economic conditions surrounding the Covid-19 pandemic resulted in a decrease from 2019 of \$714,003. Because of the associated restrictions, a portion of these earnings is shown as "Program Revenues" on the Government-Wide Statements.

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are required to be either insured by federal depository insurance or collateralized. At June 30, 2020, all of the County's depositories provided sufficient and/or proper collateralization of the County's deposits. All other collateral on deposits was held either by the County, its agent, or a financial institution's trust department in the County's name.

REPORTING ACHIEVEMENTS AND RECENT AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fayette County for its comprehensive annual financial report (CAFR) for the year ended June 30, 2019. The County has received this award for each of the last twenty-seven years. In order to be awarded a Certificate of Achievement, Fayette County published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, Fayette County also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget for fiscal year 2020. This represents the twenty-second consecutive year that the County has received this award. In order to qualify for the award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the various County departments and officials, and in particular, the staff of the Finance Department. Our sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

We would also like to thank the Board of Commissioners for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner and through whose efforts we have made substantial progress in responding to the extraordinary demands placed upon our community. We believe that the accomplishments that have been identified in this transmittal letter and the accompanying MD&A section clearly indicate that the Board of Commissioners has effectively and efficiently planned and managed the resources that were entrusted to them by the Citizens of the County.

Respectfully submitted,



Steve A. Rapson
County Administrator



Sheryl L. Weinmann
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fayette County
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

**Fayette County, Georgia
List of Principal Officials
June 30, 2020**

Elected County Officers

Board of Commissioners:

District 1 Eric K. Maxwell
District 2, Chairman Randy C. Ognio
District 3 Edward Gibbons, Jr.
District 4 Charles D. Rousseau
District 5-At-Large, Vice-Chair Charles W. Oddo

Clerk of Courts.....Sheila Studdard
Probate Court Judge Ann Jackson
Sheriff..... Barry Babb
Tax Commissioner Kristie King
Superior Court Chief Judge.....Christopher C. Edwards

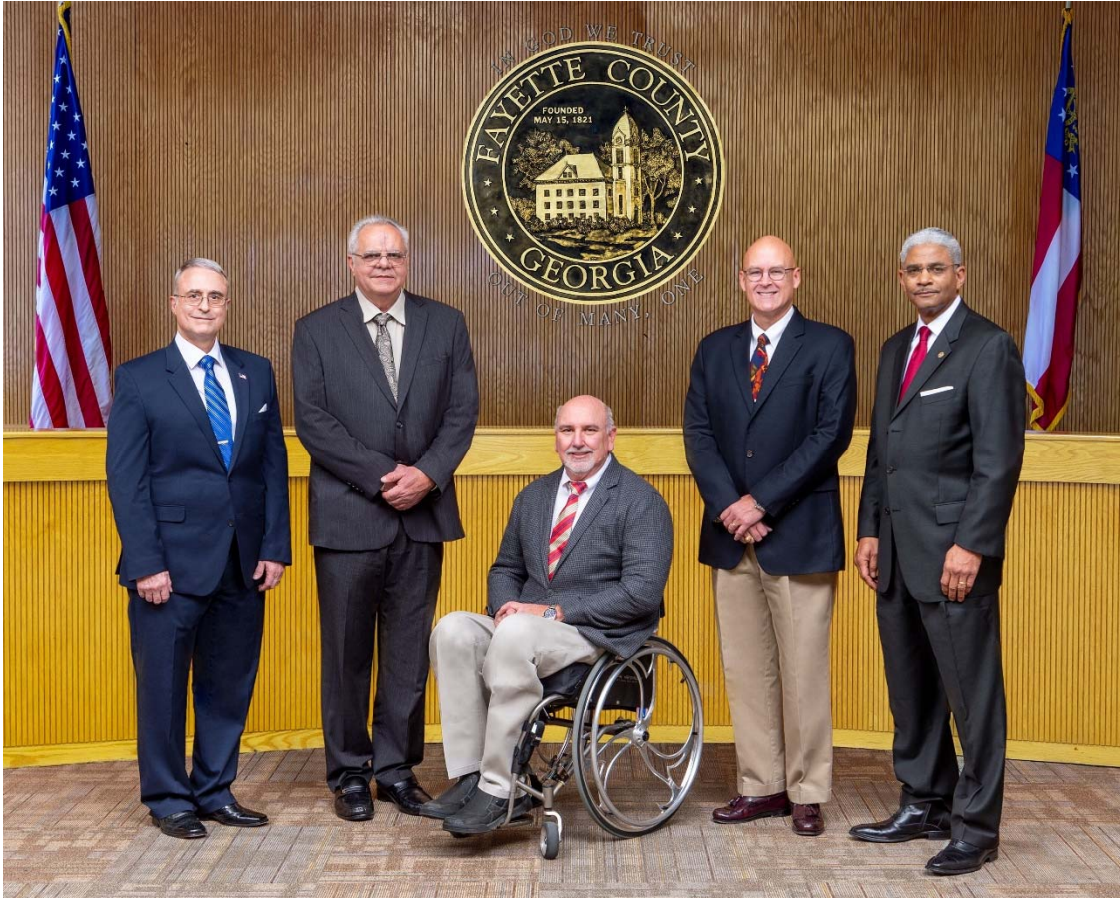
Principal Officials

County Administrator.....Steven A. Rapson, CPA
County Attorney.....Dennis A. Davenport
Chief Financial Officer Sheryl L. Weinmann
County Purchasing Agent Ted Burgess
County Clerk..... Tameca P. White, MBA, CMC
Community Development..... Pete Frisina
911 Communications Center Katy Vogt
Emergency Management.....Captain Michael Singleton
Fire & Emergency Medical Services Chief David Scarbrough
Human Resources Lewis Patterson
Chief Information Officer Phillip Frieder
Library Chris Snell
Parks and Recreation Anita Godbee
Public Works Phil Mallon
Tax Assessor.....Joel T. Benton
Water System..... Vanessa Tigert, Director

Special Services Providers

Auditors.....Nichols, Cauley & Associates, LLC
Bond and Disclosure Counsel.....Murray Barnes Finister LLP
Bond Underwriters.....Stifel, Nicolaus & Company, Inc.
Consulting Engineers..... Jacobs Engineering

**Fayette County, Georgia
Board of Commissioners
Fiscal Year Ended June 30, 2020**

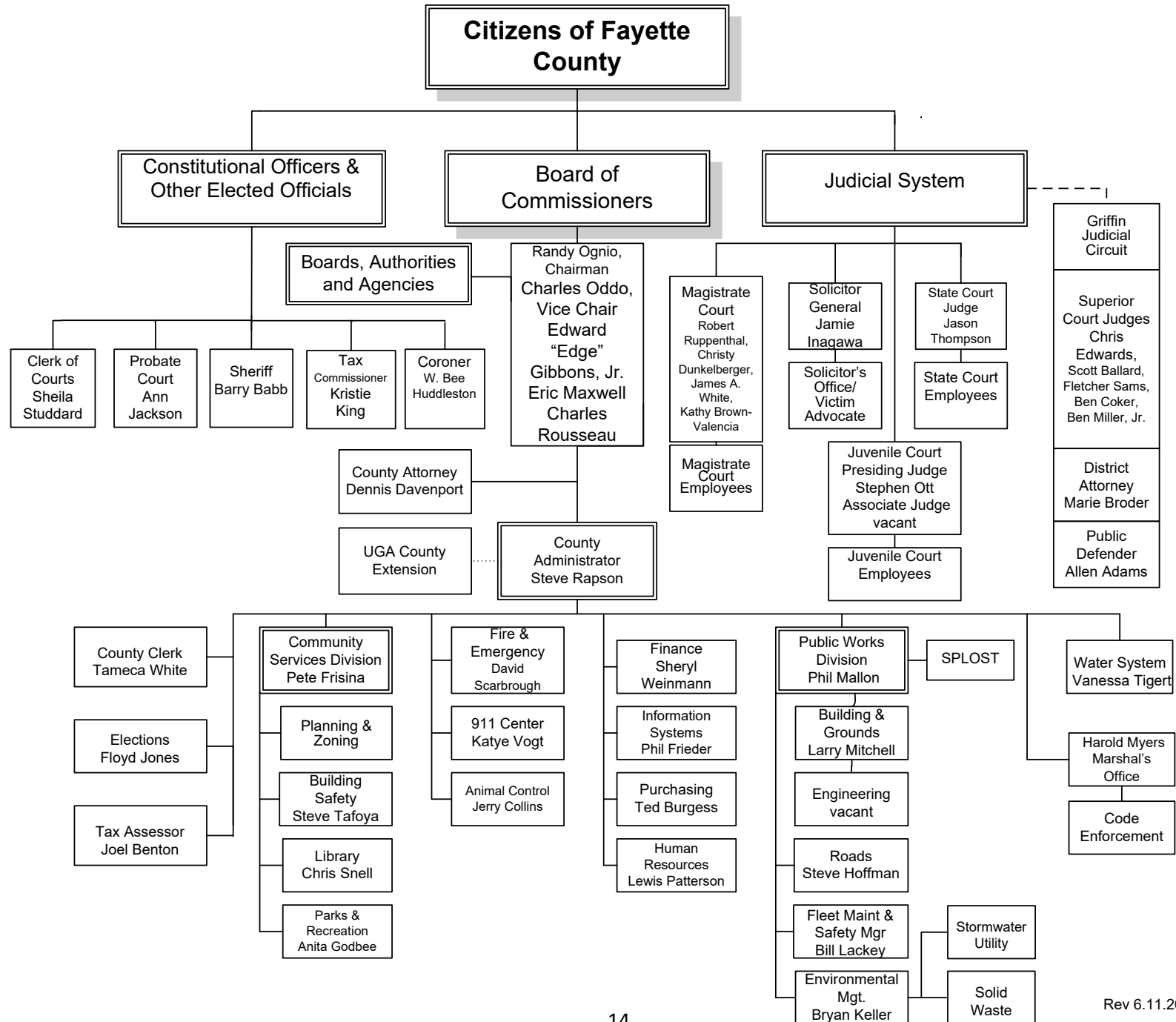


left to right: Charles W. Oddo, Randy Ognio, Eric K. Maxwell, Edward Gibbons, Jr., Charles D. Rousseau,

County Commission Mailing Address:
140 Stonewall Avenue West
Suite 100
Fayetteville, Georgia 30214
Phone: 770.305.5200
Fax: 770.305.5210



Fayette County, Georgia FY2020 Organizational Chart



**Fayette County, Georgia
Service Delivery Principles
Fiscal Year Ended June 30, 2020**

RESOLUTION 2016-01

**RESOLUTION OF THE FAYETTE COUNTY COMMISSIONERS
PLEDGE TO CITIZENS AND COUNTY STAFF ON CORE VALUES AND BELIEFS**

- WHEREAS, upon in 2016, the five commissioners desire to affirm their core values and beliefs to our constituents and county staff; and
- WHEREAS, the Board of Commissioners acknowledges they were placed in office by the voters of Fayette County and are responsible for conducting the official business of those citizens, looking out for their best interests; and
- WHEREAS, the Board is determined to give the citizenry ample opportunity to voice their comments and concerns in all meetings; and
- WHEREAS, the Board respects each individual staff member and believes that members who are treated with respect and given responsibility respond by giving their best; and
- WHEREAS, although there may not be unanimous consent on every issue, the Board requires complete honesty and integrity in everything we do while valuing everyone's opinion; and
- WHEREAS, the Board will take its commitments very seriously, and then do its utmost to live up to them, acknowledging the importance of doing what we say we are going to do; and
- WHEREAS, the Board recognizes that the work performed by each staff member is an important part of their life, and it should be fulfilling and rewarding, so we encourage an open and welcoming workplace; and
- WHEREAS, the Board vows to be good stewards of the citizen's resources, exercising the same vigilance that we would use to guard and conserve our own personal resources; and
- WHEREAS, the Board insists that each commissioner and each staff member always give their best effort in everything we undertake, refusing to accept sloppiness or lack of effort; and
- WHEREAS, the entire Board, each department director and each individual in our organization is expected to understand our mission and our goals realizing that doing so it is extremely critical to our success; and
- WHEREAS, the Board believes in the Golden Rule, and we will strive to be friendly, courteous, fair and compassionate in all our dealings; and
- WHEREAS, the Board and our staff members should always feel a sense of urgency on any matters related to our citizens, owning problems and always being responsive


NOW, THEREFORE, BE IT RESOLVED that we, the Board of Commissioners of Fayette County, Georgia do hereby pledge our acceptance of these core values and beliefs in the service of our citizens.

So resolved this 14th day of January 2016 by the

FAYETTE COUNTY BOARD OF COMMISSIONERS


Chairman Charles W. Oddo


Vice Chairman Randy Ognio


Commissioner David Barlow


Commissioner Steve Brown

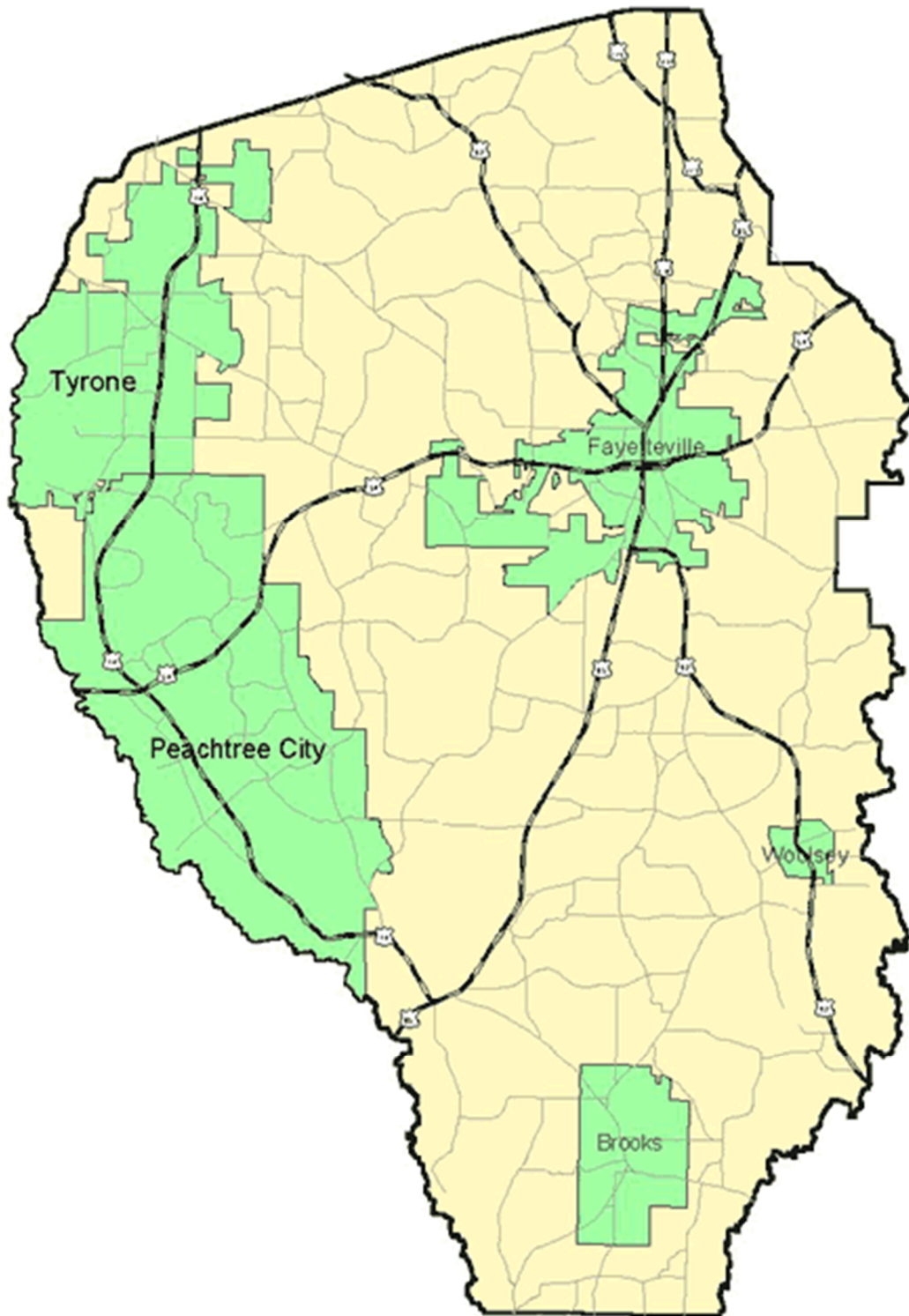

Commissioner Charles Rousseau

Fayette County, Georgia
Map of Metropolitan Atlanta Area
Fiscal Year Ended June 30, 2020



Fayette County

Fayette County, Georgia
Jurisdiction and Road Map of Fayette County
Fiscal Year Ended June 30, 2020





FINANCIAL SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

1300 Bellevue Avenue
Dublin, Georgia 31021
478-275-1163 FAX 478-275-1178
dublin@nicholscauley.com

INDEPENDENT AUDITOR'S REPORT

Fayette County Board of Commissioners
Fayette County, Georgia
Fayetteville, 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 Fayette County, Georgia, (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Fayette County Development Authority and the Fayette County Department of Public Health, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements, were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Fayette County Development Authority and the Fayette County Department of Public Health is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (on page 21 through 38), General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (on pages 94 through 96), Fire Services Tax District Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances (on page 97), the Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios (on page 98), Schedule of County Contributions (on page 99), and the Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 100) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedules of Expenditures of Special Purpose Local Sales Tax Proceeds is presented for the purposes of additional analysis as required by the Official Code of Georgia Annotated § 48-8-121, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the combining and individual nonmajor fund financial statements and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Richards, Cauley + Associates, LLC

Dublin, Georgia
January 22, 2021

Fayette County, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020

As management of Fayette County, Georgia, we offer the readers of Fayette County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. The primary purpose of the ensuing discussion and analysis is to provide our Board of Commissioners, our customers, our taxpayers, our bondholders, the bond rating agencies and the other various users of our Comprehensive Annual Financial Report (CAFR) with additional insight into the financial performance of the County and to help place the operational information contained in the basic financial statements in its proper context. We encourage readers to consider the information presented here in conjunction with additional information we have included in our letter of transmittal, which can be found on pages 1 through 10 in the Introductory Section of this report.

Financial Highlights

- The *Assets* of Fayette County, Georgia exceeded its *Liabilities* at June 30, 2020 by \$299,969,295 (*Net Position*). Of this amount, \$28,324,230 (*Unrestricted Net Position*) can be used to meet the County's ongoing obligations to its citizens and creditors.
- The County's *Total Net Position* at June 30, 2020 increased by \$7,851,756, or 2.69%, over FY2019. This change in Total Net Position is due to an increase in revenues of 5.43%, as well as an increase in expenses of 17.24%.
- At the close of the current fiscal year, the County's Governmental Funds reported combined ending fund balances of \$113,837,954. This amount represented an increase of \$13,316,260 from the prior year and was principally attributable to increased revenues in the 2017 SPLOST Capital Projects Funds and the expenditures related to Capital Projects and the 2004 and 2017 SPLOST projects, as well as increased Property Tax collections.
- At the end of the current fiscal year, the Unassigned Fund Balance for the General Fund was \$2,408,850. This amount represented about 5.07% of the total of the General Fund's Expenditures for the 2020 fiscal year.
- Fayette County has a stabilization fund designated in fund balance equal to three months of expenses, or \$14,061,197.
- Fayette County's total long-term debt decreased \$4,019,134 due to regularly scheduled payments of the Water System Revenue Bonds and an advanced refunding of the Public Facilities Authority Bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's Basic Financial Statements. The 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 information that is considered supplementary to the Basic Financial Statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of Fayette County's finances, in a manner similar to those of a private sector business. There are two *Government-Wide Financial Statements* and they are commonly referred to as the "*Statement of Net Position*" and the "*Statement of Activities*". These statements use accounting methods similar to those used by private-sector companies.

The *Statement of Net Position* presents information on all of the County's assets and liabilities, with the difference between the two being reported as *Net Position*. Basically, the statement is intended to provide financial information about the County's overall financial status that is considered to be both from a long-term and short-term perspective. And over time, increases or decreases in the *Net Position* amount may serve as an indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future years (e.g., uncollected taxes, earned but unused vacation leave). Additionally, this statement shows how much of the County's activities or functions are funded by program revenues (i.e., charges for services, grants and contributions) and how much of the County's functions rely on general revenues (primarily taxes) for funding.

Both of the *Government-Wide Financial Statements* distinguish services or functions of Fayette County that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other services or functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-Type Activities*). The *Governmental Activities* of the County include *General Government*; *Judicial System*; *Public Safety*; *Public Works*; *Health and Welfare*; *Culture and Recreation*; and *Housing and Development*. And because the Internal Service Funds primarily provide services to the *Governmental Activities*, their financial activity is included in this component. The *Business-Type Activities* of Fayette County include the Water System and Solid Waste Funds.

The *Government-Wide Financial Statements* include not only Fayette County itself (which is referred to as the *Primary Government*), but also legally separate entities for which the County is financially accountable (referred to as *Component Units*). The County's two *Component Units* are the Fayette County Development Authority and the Fayette County Department of Public Health. These are legally separate entities that are considered component units due to the significance of their operational or financial

relationships with the County. Financial information for these *Component Units* is reported separately from the financial information presented for the *Primary Government* itself. The Fayette County Public Facilities Authority, although also legally separate, functions for all practical purposes as a revenue bond debt financing conduit for the County and therefore has been included as an integral part of the *Primary Government*.

The *Government-Wide Financial Statements* can be found on pages 39 through 41 of this report.

Fund Financial Statements. Traditional users of governmental financial statements will find the *Fund Financial Statements* presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fayette County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the various funds maintained by Fayette County can be divided into three separate 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 Financial Statements*, *Governmental Fund Financial Statements* focus on events that produce near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year. Such information may be useful to the reader 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 comparing functions between the two sets of statements for *Governmental Funds* and *Governmental Activities*, readers may better understand the long-term impact of the government's near-term financing decisions. The *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances* both provide a reconciliation to help facilitate this comparison between *Governmental Funds* and *Governmental Activities*.

Fayette County maintains numerous individual governmental funds that are combined into twelve (12) different funds for reporting purposes. 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 those considered to be major funds. Based on the criteria set forth in the accounting standards, the major funds were determined to be the following: the General Fund, the Fire Services Tax District Special Revenue Fund, the County-Wide Roads 2004 SPLOST Capital Projects Fund, and the County-Wide 2017 SPLOST Capital Projects Fund. Financial information for the remaining non-major Governmental Funds is aggregated and reported in a single column labeled "Other Governmental Funds". Individual fund data for each of these non-major Governmental Funds is provided in the form of combining statements in the "Combining and Individual Fund Statements and Schedules" section appearing elsewhere in this report.

Fayette County adopts an annual appropriations budget for the General Fund and each of the Special Revenue Funds. A budgetary comparison statement is provided for each of these funds in order to present budgetary compliance. Project length financial plans are adopted for the Capital Project Funds.

The basic Governmental Fund Financial Statements can be found on pages 42 through 45 of this report.

Proprietary Funds. Fayette County maintains two different types of proprietary funds (i.e., enterprise funds and internal service funds). *Proprietary Funds* are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting.

Enterprise Funds are used to report the same functions presented as *Business-Type Activities* in the *Government-Wide Financial Statements*. Fayette County uses *Enterprise Funds* to account for the operations of its Water System and Solid Waste Funds. The cost (expenses, including depreciation) of providing each of these services to the general public is recovered in whole or in part through user charges.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Fayette County uses *Internal Service Funds* to account for certain employee benefit risk financing functions and for the replacement of vehicles and equipment. The *Internal Service Funds* used by the County are the Workers' Compensation Self-Insurance Fund, the Dental and Vision Self-Insurance Fund, the Major Medical Self-Insurance Fund and the Vehicle Replacement Fund. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *Governmental Activities* in the *Government-Wide Financial Statements*.

The *Proprietary Fund Statements* provide the same type of financial information as the *Government-Wide Financial Statements*, only in more detail. Since there are only two *Enterprise Funds*, each of them is presented on the face of the *Proprietary Funds Financial Statements*. Again, based on the criteria established in the accounting standards, the Water System is the only one considered to be a major fund of the County with the other being identified as a non-major fund in the headers of the financial statements. The stormwater utility was eliminated effective January 1, 2018. This utility with its associated assets were closed and transferred to Environmental Management within the General Fund during FY2018.

Conversely, all four of the *Internal Service Funds* are combined into a single, aggregated presentation in the *Proprietary Fund Financial Statements*. Individual fund data for the *Internal Service Funds* is provided in the form of *Combining Statements* elsewhere in this report.

The basic *Proprietary Funds Financial Statements* can be found on pages 46 through 50 of this report.

Fiduciary Funds. *Fiduciary Funds* are used to account for resources held for the benefit of parties principally 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*.

The basic *Fiduciary Funds Financial Statement* can be found on page 51 of this report.

Notes to the Financial Statements. The *Notes to the Financial Statements* 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 52 through 93 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 progress in funding its obligations to provide pension and other postemployment benefits to its employees. *Required Supplementary Information* can be found on pages 94 - 100 of this report.

The combining statements referred to earlier in connection with *Non-major Governmental Funds*, *Non-major Enterprise Funds* and *Internal Service Funds* are presented immediately following the Required Supplementary Information on pensions and other postemployment benefits. Combining and individual fund statements and schedules can be found on pages 101 through 123 of this report.

Additional information about the County, which may be of interest to the reader, is found in the Statistical Section of this report, which can be found on pages 124-143.

Government-Wide Financial Analysis

Analysis of Net Position

As noted earlier, *Net Position* may serve over time as a useful indicator of a government's financial position. In the case of Fayette County, *Assets* exceeded *Liabilities* by \$299,969,295 at the close of the most recent fiscal year. The condensed financial information for Fayette County, Georgia's Net Position as of June 30, 2020 and 2019 is presented in the following table.

FAYETTE COUNTY, GEORGIA'S NET POSITION						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019
Current and Other Assets	\$123,975,024	\$108,208,022	\$21,179,530	\$20,260,084	\$145,154,554	\$128,468,106
Capital Assets (Net)	132,621,110	128,130,716	102,682,435	104,925,451	235,303,545	233,056,167
Total Assets	256,596,134	236,338,738	123,861,965	125,185,535	380,458,099	361,524,273
Deferred Outflows of Resources	9,252,065	9,971,461	1,770,258	2,150,058	11,022,323	12,121,519
Long-Term Liabilities Outstanding	42,887,005	33,836,614	30,443,866	33,933,479	73,330,871	67,770,093
Other Liabilities	8,084,046	6,398,213	6,501,331	6,436,445	14,585,377	12,834,658
Total Liabilities	50,971,051	40,234,827	36,945,197	40,369,924	87,916,248	80,604,751
Deferred Inflows of Resources	3,246,491	829,464	348,388	94,038	3,594,879	923,502
Net Investment in Capital Assets	104,446,086	100,663,452	70,648,015	68,697,953	175,094,101	169,361,405
Restricted	74,002,549	63,202,729	22,548,415	21,021,770	96,550,964	84,224,499
Unrestricted	33,182,022	41,379,727	(4,857,792)	(2,848,092)	28,324,230	38,531,635
Total Net Position, Ending	\$211,630,657	\$205,245,908	\$88,338,638	\$86,871,631	\$299,969,295	\$292,117,539

As indicated by the tabular information on the previous page, the largest portion of the County's *Net Position* (i.e., 58.37% of the total) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt still outstanding that was used to acquire those assets. Fayette 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 capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities that are associated with them.

Further analysis of the information used to calculate this component of *Net Position* also demonstrates the capital-intensive nature of operating a county government. The \$235,303,545 in *Capital Assets* (net of accumulated depreciation) that are owned by the County represents 61.85% of its *Total Assets*. As part of its on-going operations, these capital assets have to be maintained, insured for any associated risks and replaced at the end of their useful lives.

The \$2.2M increase in the Capital Assets, Net of Accumulated Depreciation, is due to a \$7.5M increase in Construction in Progress and an offsetting \$5.4M decrease due, predominantly, to depreciation in Buildings & Structures, Infrastructure, and Improvements.

Deferred Outflows decreased by \$1.1M, largely due to the Changes in Assumptions and the variance between projected and actual experience related to pensions. Deferred Inflows increased by \$2.7M, due to the net difference between projected and actual earnings on pension plan investments and differences in the expected and actual experience.

Long-term liabilities increased by \$5.6M, or 8.21%, largely due to an increase in the Net Pension Liability for FY2020 and the advanced refunding of the Public Facilities Authority Bonds. Other liabilities increased by \$1.8M, or 13.64%, mainly due to an increase in payables accounts, such Accounts Payable, Accrued Salaries Payable, and Unearned Revenues.

In reviewing the other components of the County's *Net Position*, *Restricted Net Position* was \$96,550,964 which translates into 32.19% of the total. *Restricted Net Position* represent resources subject to external restriction on how they may be used. For the *Governmental Activities*, the balance of \$74,002,549 primarily represents the unencumbered assets of the Special Revenue Funds that are restricted to specific purposes or programs due to their sources of funding, the 2017 SPLOST restricted for Stormwater, Transportation, and Public Safety projects, the 2004 SPLOST Capital Projects Funds restricted to highway and bridge construction projects, and funding restricted for LMIG. For the *Business-Type Activities*, the \$22,548,415 represents assets in the Water System Enterprise Fund that are restricted by revenue bond ordinances to future debt service, and system renewal and extension purposes.

Lastly, the *Unrestricted Net Position* component for Governmental Activities is \$33,182,022 and represents 15.68% of the total Governmental *Net Position*, compared to 9.44% for FY2020 Total Primary Government. *Unrestricted Net Position* is comprised of the County's stabilization funding, committed to Capital projects, advance to Stormwater projects, funding set aside of emergency purposes, and the County's unassigned fund balance. This may be used to meet the County's ongoing obligations to citizens and creditors.

Analysis of Changes in Net Position

The following tabular information represents the condensed presentation of revenues, expenses and changes in net position for the fiscal years ended June 30, 2020 and 2019. As indicated by the information in the table, the Net Position for the fiscal year ended June 30, 2020 increased by \$7,851,756.

FAYETTE COUNTY, GEORGIA'S CHANGES IN NET POSITION						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2019</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 11,862,824	\$ 11,706,117	\$ 17,459,717	\$ 16,192,217	\$ 29,322,541	\$ 27,898,334
Operating Grants & Contributions	1,171,491	974,425	-	-	1,171,491	974,425
Capital Grants & Contributions	3,215,349	3,650,391	1,607,295	1,369,102	4,822,644	5,019,493
General Revenues:						
Property Taxes	46,930,412	41,980,635	-	-	46,930,412	41,980,635
Sales Taxes	40,127,654	39,645,008	-	-	40,127,654	39,645,008
Other Taxes	4,131,492	3,874,719	-	-	4,131,492	3,874,719
Unrestricted Investment Earnings	1,230,907	1,368,932	226,007	327,590	1,456,914	1,696,522
Gain on Disposal of Capital Assets	62,939	-	-	5,065	62,939	5,065
Miscellaneous Revenues	224,942	447,105	-	108,260	224,942	555,365
Total Revenues	\$ 108,958,010	\$ 103,647,332	\$ 19,293,019	\$ 18,002,234	\$ 128,251,029	\$ 121,649,566
Expenses:						
General Government	\$ 11,786,284	\$ 9,945,149	-	-	\$ 11,786,284	\$ 9,945,149
Judicial System	8,948,462	7,459,103	-	-	8,948,462	7,459,103
Public Safety	49,081,833	39,066,557	-	-	49,081,833	39,066,557
Public Works	25,838,947	23,533,884	-	-	25,838,947	23,533,884
Health & Welfare	878,699	854,317	-	-	878,699	854,317
Culture & Recreation	3,115,950	2,700,241	-	-	3,115,950	2,700,241
Housing & Development	1,773,191	1,476,980	-	-	1,773,191	1,476,980
Interest & Fiscal Charges	1,049,895	1,429,586	-	-	1,049,895	1,429,586
Water System	-	-	17,654,078	15,906,962	17,654,078	15,906,962
Solid Waste	-	-	271,934	320,925	271,934	320,925
Stormwater Utility	-	-	-	-	-	-
Total Expenses	\$ 102,473,261	\$ 86,465,817	\$ 17,926,012	\$ 16,227,887	\$ 120,399,273	\$ 102,693,704
Increase (Decrease) in Net Position Before Transfers	\$ 6,484,749	\$ 17,181,515	\$ 1,367,007	\$ 1,774,347	\$ 7,851,756	\$ 18,955,862
Transfers	\$ (100,000)	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Increase (Decrease) in Net Position	\$ 6,384,749	\$ 17,181,515	\$ 1,467,007	\$ 1,774,347	\$ 7,851,756	\$ 18,955,862
Net Position - Beginning	\$ 205,245,908	\$ 188,064,393	\$ 86,871,631	\$ 85,097,284	\$ 292,117,539	\$ 273,161,677
Net Position - Ending	\$ 211,630,657	\$ 205,245,908	\$ 88,338,638	\$ 86,871,631	\$ 299,969,295	\$ 292,117,539

Total Primary Government. Based on the FY2020 Net Position, this net increase of \$7,851,756 for the fiscal year ended June 30, 2020. Of the \$7.8M increase, \$6.4M increase was attributable to the *Governmental Activities* and \$1.5M was attributable to the *Business-Type Activities*.

In comparing the operating results between the two fiscal years, \$7,851,756 v. \$18,955,862, this swing of the \$11,104,106 change between FY2020 and FY2019, increased revenues accounted for \$6.6M along with an increase in expenses of \$17.7M reflects the variance of \$11.1M. The more significant points are noted below:

Revenues:

- Property Taxes increased \$4.9M. This increase was largely attributable to new construction and strong property values.
- Charges for Services increased by \$1.4M, the majority of which was an increase in Water Sales in Business Activities.

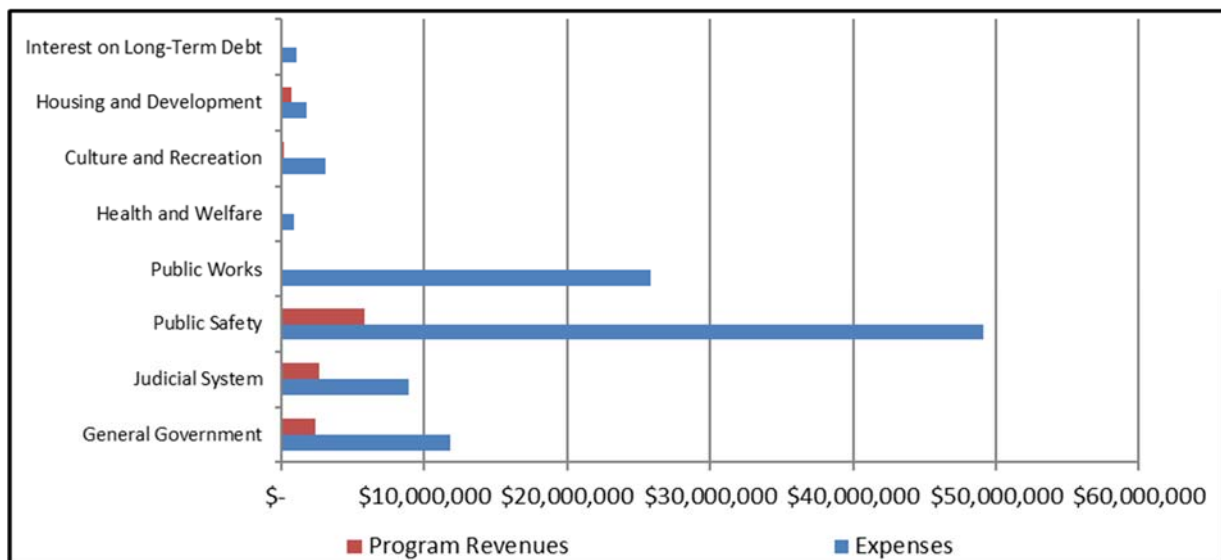
Expenses:

- Pension expense increased by \$10.8M for Governmental Activities
- Personnel costs increased by \$2.56M
- The \$1.9M increase in Water System operating expenses includes \$1.15M increase in Defined Contribution costs and \$552k in Tank Maintenance.

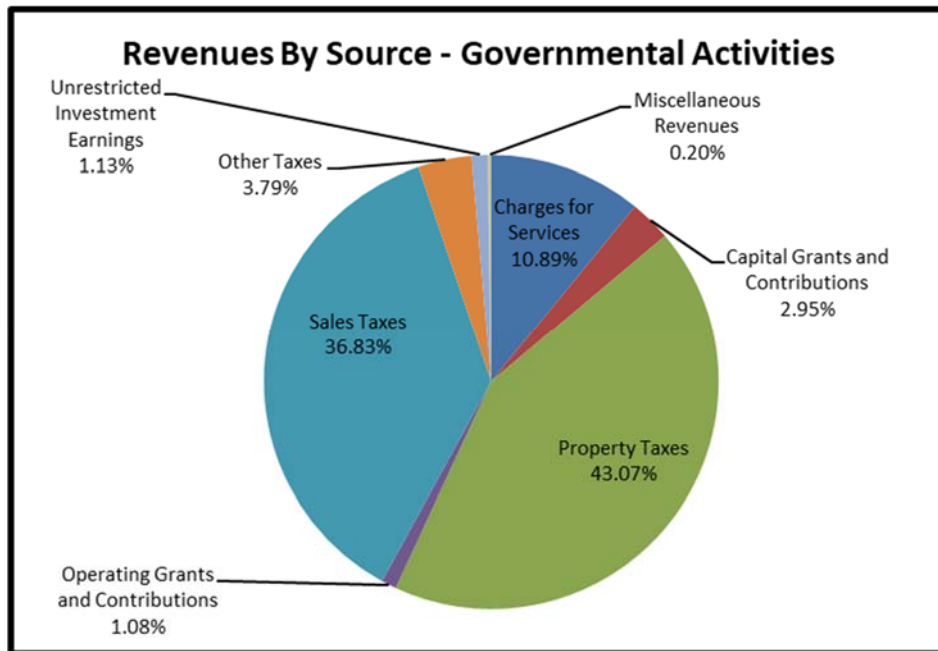
The following chart shows the relationship of functional expenses and the related program revenues that are generated to offset some of the expense of providing that service. Out of the \$102,473,261 in Total Governmental Activities Expenses for the 2020 fiscal year, \$16,249,664 is covered by Program Revenues. The remaining functional expenses of \$86,223,597 are funded through General Revenues such as taxes and interest income.

Functional Expenses and Program Revenues – Governmental Activities

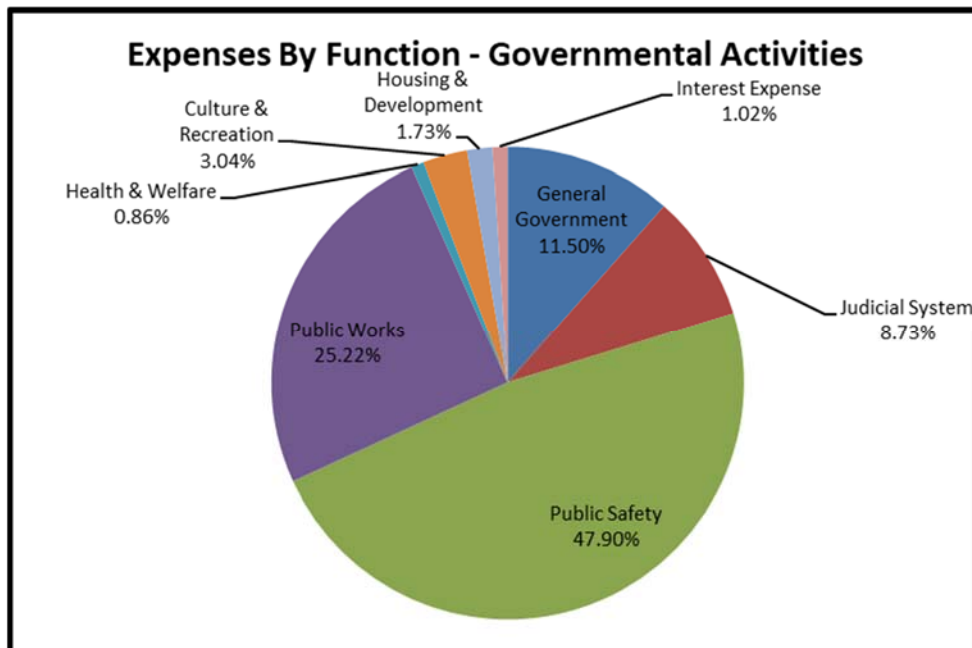
As with any government, management attempts to achieve the right mix between revenue sources and services. While the intrinsic nature of certain services, such as recreational programs and building inspections, lends themselves to the assessment of user fees to offset the cost of delivering that service; others such as public safety functions and social programs do not.



The pie chart that follows shows the relative mix of revenues used to fund the County's *Governmental Activities* during the fiscal year ended June 30, 2020. As one might expect in the case of providing governmental services, the largest source is the Property Tax category.



The second chart depicts the relative mix of functional expenses incurred by the *Governmental Activities*. Again, it comes as no surprise that the largest expense of the County is the Public Safety function.



Business-Type Activities. A year over year increase in Net Position for the fiscal year ended June 30, 2020 of \$1,467,007 was attributable to the *Business-Type Activities*. In comparing the operating results between the two fiscal years, the key elements are discussed below:

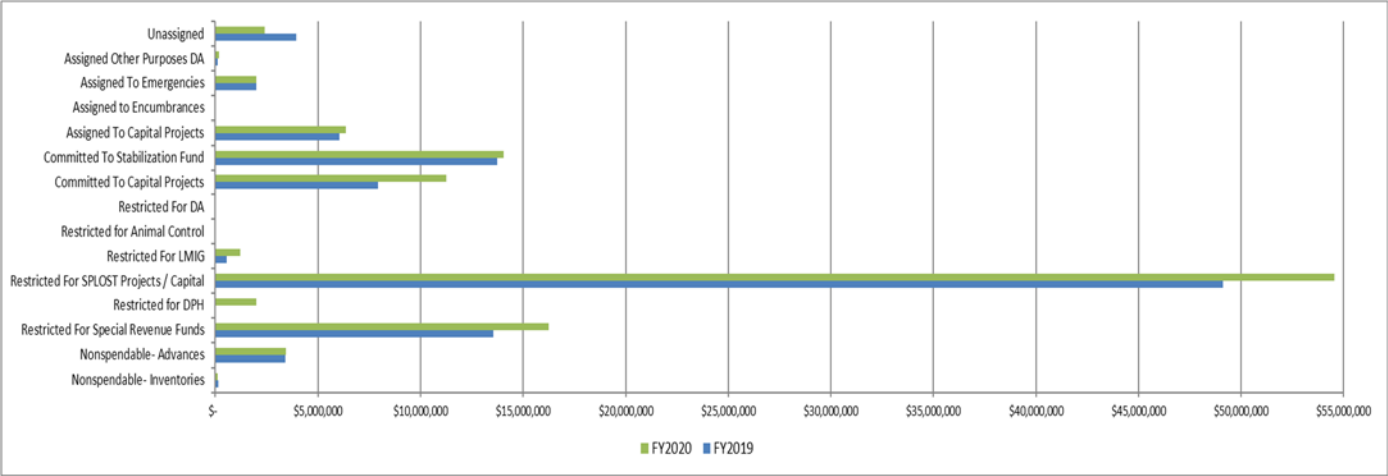
- An increase in revenues of \$1,267,500
- An increase in capital grants and contributions of \$238,193

FINANCIAL ANALYSIS OF THE COUNTY’S 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 *Governmental Funds* that the County uses is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information from a more short-term perspective is useful in assessing the County’s financing requirements. In particular, *Unassigned Fund Balance* of the General Fund may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. It is, however, important to note that the *Unassigned Fund Balance* is not the same as cash and must be analyzed carefully to determine the actual amount of spendable resources. The same need for additional analysis is called for in regards to the *Restricted Fund Balance* for the Special Revenue Funds.

The following bar chart compares the fund balance information at June 30, 2020 and 2019. At the top of the chart is a comparison of the “Unassigned” fund balance. The items below “Unassigned” provide an overview of how the various components of fund balance have changed as a result of the operating activity for the 2020 fiscal year. The discussion that immediately follows the chart will be helpful in understanding the underlying reasons for the increases or decreases in the particular data points.



As of June 30, 2020, Fayette County's *Governmental Funds* reported combined ending fund balances of \$113,837,954 an increase of \$13,316,260 or about 13.25% percent in comparison with the previous fiscal year. There are specific spending patterns and budgetary decisions that are responsible for the net increase. First, the fund balance of the 2017 SPLOST Capital Projects Fund increased by a total of \$5,782,065 during the fiscal year. The was due, in large part, by the collections of approximately \$12.2M for Fayette County SPLOST projects and related expenses. FY2020 was the third year that the additional 1% Special Purpose Local Option Sales Tax was collected since its approval in March 2017. The fund balances of the two 2004 SPLOST Road Capital Projects decreased by \$447,853 due largely to expenses related to the 2004 SPLOST Road Capital Projects. While the County is no longer receiving any revenues from the 2004 Special Purpose Local Option Sales Tax (SPLOST,) which expired in March of 2010, those tax receipts collected in previous fiscal years are being spent to construct those road improvement projects approved by the voters. Since this was a one-time revenue source dedicated to use for specific road construction projects, a decrease in the fund balance for these two 2004 SPLOST Capital Projects Funds is expected until the remaining funds of \$30,749,233 are exhausted.

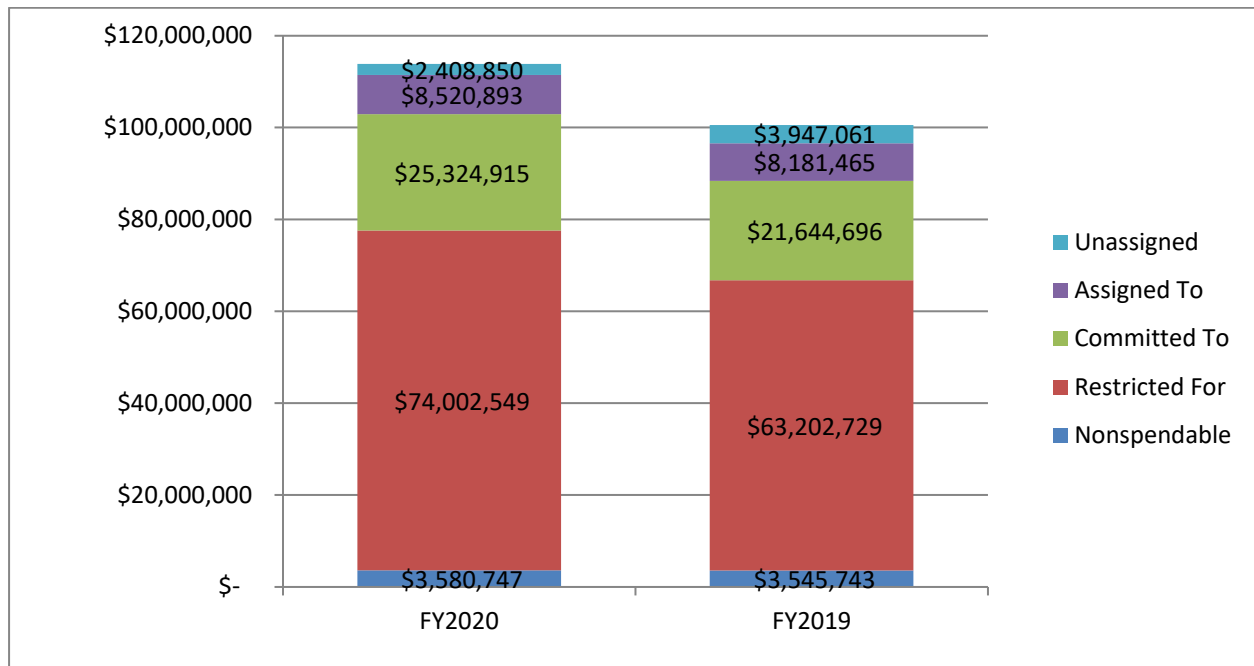
On March 21, 2017, the Fayette County citizens approved an additional 1% sales tax for the approved list of projects presented as part of the 2017 SPLOST referendum. This additional 1% sales tax began on July 1, 2017 and will continue to be disbursed to the municipalities in Fayette County based upon a pre-approved distribution percentage allocation. The municipalities include City of Fayetteville, City of Peachtree City, Town of Tyrone, Town of Brooks, and Woolsey.

Fayette County's list of presented projects include Stormwater, Transportation, and Public Safety. Many of the highly critical projects began in fiscal years 2017, 2018, and 2019, which is why the 2017 SPLOST is separated as a major fund in the FY2020 financials. The two accounts of the 2017 SPLOST funding have a balance of \$23,786,789 is included in the "Restricted for SPLOST Projects / Capital" portion of the previous chart.

Also, the excess of revenues over expenditures within the General Fund of \$8,899,769, along with the net transfers in/out of (\$6.7M) increased fund balance by approximately \$1.84M. These transfers were used to provide funding for the 2020 Capital Improvement and Construction projects budget, along with the refunding of the Public Facilities Authority Bonds.

To gather a good understanding of the availability for appropriation in future periods or the "spendability" of the \$113,837,954 reported as *Governmental Funds* fund balance, it is critical to begin by reviewing its various components in the report. By doing so, the reader can ascertain what legal restrictions, previous commitments, or intended uses might be associated with the various fund balances. The chart on the previous page depicts these components.

Total Governmental Funds Fund Balances



In looking at the first item in the report, \$3,580,747 or 3.15% of the total is reported in the “*Nonspendable*” category. Of this \$3.5M, \$126,791 represents inventories that are considered current assets but are not in a spendable form. The remaining \$3,453,956 is categorized as Advances to Stormwater projects in the 2017 SPLOST fund as a loan to assist with expenditures related to Stormwater Projects. Thus, this amount is not available for appropriation. This Advance was re-allocated to the 2017 SPLOST Projects Fund in FY2017 and FY2018, as the Stormwater Projects were re-allocated to that fund as well.

The aggregate amount for the “*Restricted For*” category is \$74,002,549 and comprises 65.00% of the total. The purpose of this category is to inform the reader that these balances carry specific legal restrictions as to what they can be spent for in future periods. So in terms of availability, any future appropriation would have to meet the legal restrictions associated with that specific fund. This component mainly comprises the fund balances of the Special Revenue Funds (i.e., \$16,255,595) which are legally restricted for certain programs or services based on each individual fund’s revenue stream and the four SPLOST Projects Funds (i.e., \$54,536,022) which are restricted by referendum to specific construction / capital expenditures. This category also includes \$2M set aside for a new Department of Public Health building, and \$1,210,932 restricted for LMIG.

The aggregate amount for the “*Committed To*” category is \$25,324,915 and comprises 22.25% of the total. This category represents the amount of fund balance that is not considered available for “new expenditures” since it has already been committed to a specific purpose by the Board of Commissioners. This component comprises the fund balances of the remaining Capital Projects Funds (i.e., \$11,263,718) which represents monies that the Board of Commissioners has committed to specific capital improvements, and a Stabilization Fund (\$14,061,197) that represents monies that the Board of Commissioners has committed to use as a working cash reserve balance in the General Fund. Since property tax revenues are not received until the middle of the fiscal year, these monies are needed to

bridge the cash flow gap between expenditure outflows early in the fiscal year and revenue inflows which occur later in the operating period. To avoid the need for short-term borrowing, the Stabilization Fund was created by Board resolution and consequently these committed funds are not considered to be spendable. In terms of budgetary coverage for the General Fund, the Stabilization Fund is equal to three months of normal operating expenditures.

The sum of the “*Assigned To*” category is \$8,520,893 or about 7.48% of the total amount. This category identifies existing limitations on the “availability” of fund balance for appropriation since a specific future use has already been formally identified. This component represents monies that the Board of Commissioners has assigned for future use in an emergency (\$2,000,000), and to provide a source of funding for the five-year capital improvements plan (\$6,361,938), and funding set aside for the District Attorney’s office (\$147,096). There were also \$11,859 of encumbrances included in the “*Assigned To*” category.

The final component is the *Unassigned Fund Balance* for the General Fund. At June 30, 2020, the balance was \$2,408,850 which comprises 2.12% of the total. This is the amount that can be spent at the government’s discretion in future periods.

Analysis of the Major Governmental Funds

General Fund: The General Fund is the chief operating fund of Fayette County. At June 30, 2020 and 2019 the *Total Fund Balance* of the General Fund was \$31,782,619 and \$29,940,689, respectively. The net change in the fund balance during the 2020 fiscal year was an increase of \$1,841,930 or 6.15%, compared to last year’s fund balance \$521k increase.

FY2020 and FY2019 revenues are \$56,431,218 and \$52,377,079, respectively. The variance, year over year, is approximately \$4.0 million. On the revenue side, the growth in the tax digest for Fayette County accounted for a \$4.0M increase in property taxes.

FY2020 expenditures of \$47,531,449 and FY2019 expenditures of \$48,645,533 varied, year over year, by a decrease of \$1,114,084. The breakdown below shows the major increases/(decreases) of General Fund:

- Debt Service (\$2.74M)
- Public Safety \$1.45M

At June 30, 2020 and 2019, the *Unassigned Fund Balance* was \$2,408,850 and \$3,947,061, respectively representing a decrease of \$1,538,211 or (38.97)%.

As a measure of the liquidity of the General Fund, it is useful to compare both the *Unassigned Fund Balance* and *Total Fund Balance* to total fund expenditures. At June 30, 2020, *Unassigned Fund Balance* represents 5.06% of total General Fund expenditures; while *Total Fund Balance* represents 66.87% of that same amount.

Fire Services: The Fire Services Tax District Special Revenue Fund accounts for fire services that are provided to those residents living and businesses located within the tax district. The financing for the services accounted for in this fund primarily comes from a special tax levy and the insurance premium tax.

This fund has a *Total Fund Balance* of \$6,070,516 at June 30, 2020, which represents an increase from the prior year of \$1,594,848 or 35.63%. The increase in fund balance can be traced to a decrease in transfers related to capital projects. In measuring liquidity, *Total Fund Balance* for the Fire Services Fund represents 59.12% percent of its FY2020 expenditures.

2017 SPLOST: Fayette County citizens passed a 2017 1% SPLOST tax on March 21, 2017. Fayette County and its municipalities provided a list of projects to be funded with the additional tax. The tax revenue collected over this six-year period is estimated to be at \$141M, with Fayette County's distribution estimated to be at \$64M. The projects funded through this new 1% SPLOST focus on Stormwater, Transportation, and Public Safety. Collection of the tax began on July 1, 2017 (FY2018). As of June 30, 2020, the fund balance is \$23,786,789 which is a \$5,782,065 increase over last fiscal year. This is largely due to SPLOST collections of \$13.1M for Fayette County projects and expenses related to those projects of approximately \$7.3M.

County-Wide Roads 2004 SPLOST: The County-Wide Roads SPLOST Capital Projects Fund has a total fund balance of \$30,650,969 at June 30, 2020, which represents a decrease from the prior year of \$447,853 or 1.44%. The primary reason for the decrease in fund balance is expenses related to the 2004 County-Wide SPLOST projects. A downward trend in fund balance is expected to continue over the remaining life of the road SPLOST program.

Proprietary Funds. Fayette County's *Proprietary Funds* provide the same type of financial information found in the *Government-Wide Statements*, but in more detail. The *Total Net Position* for the two *Proprietary Funds* was \$88,338,638 at June 30, 2020 which represented an increase of \$1,467,007 from the previous year.

The *Unrestricted Net Position* of the Water System Enterprise Fund was a deficit of \$4,805,232 at June 30, 2020 which represented an increase in the deficit of \$1,934,707 compared to the previous year. The primary reason for this increase was the restriction for FY2020 Capital Improvement project expenses of \$1.83M.

The *Total Net Position* for the Water System was \$88,237,308 at June 30, 2020 which represents an increase of \$1,558,327 during the 2020 fiscal year while Solid Waste's Net Position decreased by (\$91,320) to \$101,330.

General Fund Budget

During Fiscal Year 2020, there was a net decrease of \$2,548,361 in expenditures (not including other financing uses) between the original and final amended budget. Besides the net effect of several minor budget adjustments, the major components of the difference between the original and final amended budget are as follows:

- Major components of decrease include the following:
 - \$381k decrease for 2019 LMIG moved to FY2021
 - \$1.2M decrease for 2020 LMIG moved to FY2021
 - \$2.4M decrease in debt service payments associated to refunding the Public Facilities Authority 2011 revenue bonds
- Offsets to the major components decreasing the original budget include the following:
 - Projects closed and moved to Maintenance and Operations totaling \$218k
 - FY2019 encumbrances carried forward to FY2020 totaling \$507k
 - Increase of \$52k for 2020 LMIG additional local match required
 - Increase of \$277k for 2019 LMIG moved from FY 2019
 - Increases of \$217k related to CARES
 - Increase of \$68k for materials to pave roads per IGA with the City of Fayetteville
 - Increase of \$48k for prorated salary/benefits of new position of Director of B&G

On the revenue side (not including other funding sources) the change in FY2020 original and final amended budget was an increase of \$670,957. Besides the net effect of various minor budget adjustments, the major components of the revenue change are as follows:

- An increase of \$517,067 in Federal Indirect Reimbursements related to CARES.
- An increase of \$40,151 in grants funds for 2020 LMIG. The 2020 LMIG program received more funding than originally anticipated.
- An increase of \$68,347 for a reimbursement from the City of Fayetteville for paving city roads per IGA.
- An increase in the revenue budget related to restricted donations for Animal Control totaling \$20,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. Fayette County's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$235,303,545 (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, roads, highways, bridges, improvements other than buildings, machinery and equipment, raw water reservoirs, and park facilities. The tabular information presented on the next page provides a breakdown of capital asset balances by general classification and activity type as of June 30, 2020 and 2019.

FAYETTE COUNTY, GEORGIA'S CAPITAL ASSETS (Net of Depreciation)						
General Classification	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Land	\$ 15,419,902	\$ 15,361,484	\$ 20,718,888	\$ 20,718,888	\$ 36,138,790	\$ 36,080,372
Buildings and Structures	45,582,845	47,118,608	25,934,841	27,997,125	71,517,686	75,115,733
Infrastructure	27,908,690	28,417,202	44,792,189	45,379,616	72,700,879	73,796,818
Improvements Other than Buildings	5,403,870	5,411,335	4,137,926	4,860,032	9,541,796	10,271,367
Machinery and Equipment	12,385,624	12,427,754	3,894,979	3,737,677	16,280,603	16,165,431
Construction in Progress	25,920,179	19,394,333	3,203,612	2,232,113	29,123,791	21,626,446
Total Capital Assets	\$ 132,621,110	\$ 128,130,716	\$ 102,682,435	\$ 104,925,451	\$ 235,303,545	\$ 233,056,167

The total increase in the County's investment in capital assets for the current fiscal year was \$2,247,378 or 0.96%. This increase can be broken down into an increase of \$4,490,394 or 3.50% for the governmental activities and a decrease of \$2,243,016 or (2.14)% for the business-type activities.

The increase in investment in capital assets for Governmental Activities is primarily attributable to capitalization of several projects within CIP, as well as a significant increase in Construction in Progress. Although there was a slight increase in Construction in Progress in Business-Type Activities, depreciation and retirement of assets resulted in an overall decrease in investment in capital assets.

Additional information on Fayette County's capital assets is provided in Note 6 which can be found on pages 71 through 72 of this report.

Long-Term Debt. At the end of the current fiscal year, Fayette County had total bonded debt outstanding of \$60,370,000. This total represents a decrease of \$2,890,000 from the prior year. All of the outstanding bonds are revenue bonds which are secured by specified revenue sources. The bond debt as of June 30, 2020 and 2019 is shown in the following table.

FAYETTE COUNTY'S OUTSTANDING REVENUE BOND DEBT								
	Governmental Activities			Business-Type Activities			Total Primary Government	
	FY 2020	FY 2019		FY 2020	FY 2019		FY 2020	FY 2019
Revenue Bonds	\$29,120,000	\$27,800,000		\$31,250,000	\$35,460,000		\$60,370,000	\$63,260,000

The \$29,120,000 of debt shown in the Governmental Activities column represents the Fayette County Public Facilities Authority Revenue Bonds which were issued to construct the Criminal Justice Center and jail. These bonds were advanced refunded in FY2020 (November 2019) with a new issuance amount of \$29,120,000. The outstanding bonds are secured by a lease agreement with the County in which the annual installment payments on the purchase of the Criminal Justice Center and jail are equal to the annual debt service payments. At the original issue, the Public Facilities Authority Revenue Bonds received a rating of "Aa1" from Moody's Investors Service and a rating of "AA+" from Standard and Poor's.

The \$31,250,000 of debt shown in the Business-Type Activities column represents Fayette County Water Revenue Bonds which have been issued primarily for the purpose of constructing plants, storage tanks, raw water reservoirs and pipelines for the Water System, and the refunding of previous bond issues. The outstanding bonds are secured by a pledge of and lien on revenues derived by the County from the ownership and operation of the Water System. The Fayette County, Georgia Water Revenue Bonds have received a rating of “Aa2” from Moody’s Investors Service and a rating of “AA” from Standard and Poor’s.

In February 2015, Moody’s upgraded Fayette County’s bond rating to the highest possible of ‘Aaa’. Moody’s is the second rating agency to upgrade the County following the Standard & Poor’s AAA upgrade in August 2014. This rating is confirmation that the County continues to demonstrate sound financial performance as shown through the recent confirmation from Moody’s Annual Comment on Fayette County in April 2020. In the comment Moody’s states, “Fayette County has an excellent credit position. Its Aaa rating is above the median rating of Aa2 for US counties.”

In October 2015, Standard and Poor’s reaffirmed their “AA” rating for the Fayette County, Georgia Water Revenue Bonds. Moody’s released their Annual Comment on Fayette County in March of this year. In the comment Moody’s states, “Fayette County Water’s credit position is very strong, and its Aa2 rating is slightly above the median rating of Aa3 for US water systems.”

Additional information on Fayette County’s long-term debt is provided in Note 7 which can be found on pages 73 through 78 of this report.

Economic Factors

The national and local economies are still improving, but the rate of improvement has slowed. On the national level, the stock market continues to be strong and employment rates are good. Locally, the real estate market is active with continued development and sales. Some important indicators of current economic conditions are:

- Nationwide, unemployment is expected to drop to an average rate of 5.5 percent in 2021 after it peaked at 14.7 percent in April 2020; for June 2020, the unemployment rate for Fayette County was 7.1 percent, compared to the state and national average of 8 percent and 11.1 percent, respectively.
- Gross Domestic Product (GDP) growth rate is expected to contract by 3.7 percent in 2020. It may rebound up to a 4.0 percent growth rate in 2021;
- According to the Georgia Department of Revenue, the Net Maintenance and Operation (M&O) Tax Digest for Fayette County increased by \$449,405,947 or 7.61% from January 1, 2018 to January 1, 2019. The increase from January 1, 2019 to January 1, 2020 was \$321,639,589, or 5.06%.

These economic factors were taken into consideration when preparing the County’s budget for the 2021 fiscal year.

Next Year's Budget and Rates

During the current fiscal year, the *Unassigned Fund Balance* in the General Fund decreased, by \$1,538,211, from \$3,947,061 to \$2,408,850. For the upcoming 2021 fiscal year budget, under continuing improved economic conditions, the direction from the Board of Commissioners was to develop a balanced budget without the use of reserved fund balance. As part of the FY2021 budget process, there was a rollback of the General Fund maintenance & operations millage rate.

The millage rates adopted for the various tax-supported Governmental Funds for fiscal years 2020 and 2021 are shown in the following table. A reduction to the General Fund maintenance and operations millage rate for the 2021 fiscal year budget was applied to eliminate any tax increase resulting from an increase in home value (known as the rollback rate), thus no change in the amount of taxes billed for General Fund operations.

<u>Governmental Fund</u>	MILLAGE RATES		NET CHANGE	
	<u>FY2021</u>	<u>FY2020</u>	<u>AMOUNT</u>	<u>PERCENT</u>
General Fund (M&O)	4.277	4.392	(0.115)	-2.62%
Fire Services	3.070	3.070	0.000	0.00%
Emergency Medical Services	0.456	0.456	0.000	0.00%
911 Communications	0.210	0.210	0.000	0.00%
Total for All Funds	8.013	8.128	(0.115)	-2.62%

For the 2021 fiscal year budget, there were no rate adjustments approved for any of the two Enterprise Funds.

Request for Information

This financial report is designed to provide a general overview of Fayette County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information can be obtained by accessing the County's website at fayettecountyga.gov, or by contacting the Finance Department at the following address and telephone number:

Fayette County Finance Department
140 Stonewall Avenue, West, Suite 101
Fayetteville, GA 30214
(770) 305-5413



BASIC FINANCIAL STATEMENTS

Fayette County, Georgia
Statement of Net Position
June 30, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Development Authority	Board of Health
ASSETS					
Cash and cash equivalents:					
Unrestricted	\$ 82,728,119	\$ 1,019,047	\$ 83,747,166	\$ 1,300,383	\$ 1,463,007
Restricted	861,057	18,162,821	19,023,878	-	-
Investments	31,372,529	-	31,372,529	-	708,408
Receivables (net of allowance for uncollectibles)	8,735,454	1,515,004	10,250,458	7,308	99,242
Inventories	126,791	476,796	603,587	-	-
Prepaid items	151,074	5,862	156,936	12,300	-
Deposits	-	-	-	110,000	-
Capital assets not being depreciated	41,340,081	23,922,500	65,262,581	-	-
Capital assets, net of accumulated depreciation	91,281,029	78,759,935	170,040,964	153,854	22,031
Net OPEB asset	-	-	-	-	96,742
Total assets	<u>256,596,134</u>	<u>123,861,965</u>	<u>380,458,099</u>	<u>1,583,845</u>	<u>2,389,430</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	7,208,626	774,610	7,983,236	-	433,615
Deferred outflows related to OPEB	47,338	4,606	51,944	-	267,135
Deferred charges on bond refunding	<u>1,996,101</u>	<u>991,042</u>	<u>2,987,143</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>9,252,065</u>	<u>1,770,258</u>	<u>11,022,323</u>	<u>-</u>	<u>700,750</u>

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

Fayette County, Georgia
Statement of Net Position
June 30, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Development Authority	Board of Health
LIABILITIES					
Accounts payable	3,160,228	1,526,445	4,686,673	10,909	-
Claims payable	372,913	-	372,913	-	-
Salaries and benefits payable	1,187,200	111,326	1,298,526	4,132	-
Unearned revenue	16,504	324,900	341,404	8,564	-
Accrued interest payable	48,454	259,981	308,435	-	-
Noncurrent liabilities:				-	-
Due within one year -					
Long-term obligations	3,298,747	4,278,679	7,577,426	-	28,191
Due in more than one year:					
Long-term obligations	29,534,297	28,946,328	58,480,625	-	65,779
Landfill closure and postclosure	-	68,571	68,571	-	-
Net pension liability	12,775,239	1,372,774	14,148,013	-	1,189,885
Total OPEB liability	577,469	56,193	633,662	-	320,880
Total liabilities	50,971,051	36,945,197	87,916,248	23,605	1,604,735
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	3,200,602	343,923	3,544,525	-	37,039
Deferred inflows related to OPEB	45,889	4,465	50,354	-	458,087
Total deferred inflows of resources	3,246,491	348,388	3,594,879	-	495,126
NET POSITION					
Net investment in capital assets	104,446,086	70,648,015	175,094,101	153,854	22,031
Restricted for:					
Capital projects	57,746,954	-	57,746,954	-	-
Special tax district services	8,270,838	-	8,270,838	-	-
Other purposes	7,984,757	-	7,984,757	-	401,816
Debt service	-	9,027,721	9,027,721	-	-
Renewal and extension	-	13,520,694	13,520,694	-	-
Unrestricted	33,182,022	(4,857,792)	28,324,230	1,406,386	566,472
Total net position	\$ 211,630,657	\$ 88,338,638	\$ 299,969,295	\$ 1,560,240	\$ 990,319

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

Fayette County, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2020

Functions / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-Type Activities	Total	Development Authority	Public Health
Primary Government:									
Governmental Activities:									
General government	\$ 11,786,284	\$ 2,358,919	\$ 350,791	\$ 35,220	\$ (9,041,354)	\$ -	\$ (9,041,354)	\$ -	\$ -
Judicial system	8,948,462	2,648,854	632,725	-	(5,666,883)	-	(5,666,883)	-	-
Public safety	49,081,833	5,854,443	187,726	1,000	(43,038,664)	-	(43,038,664)	-	-
Public works	25,838,947	7,410	-	3,179,129	(22,652,408)	-	(22,652,408)	-	-
Health and welfare	878,699	54,097	-	-	(824,602)	-	(824,602)	-	-
Culture and recreation	3,115,950	200,749	249	-	(2,914,952)	-	(2,914,952)	-	-
Housing and development	1,773,191	738,352	-	-	(1,034,839)	-	(1,034,839)	-	-
Interest on long-term debt	1,049,895	-	-	-	(1,049,895)	-	(1,049,895)	-	-
Total governmental activities	102,473,261	11,862,824	1,171,491	3,215,349	(86,223,597)	-	(86,223,597)	-	-
Business-Type Activities:									
Water system	17,654,078	17,379,103	-	1,607,295	-	1,332,320	1,332,320	-	-
Solid waste	271,934	80,614	-	-	-	(191,320)	(191,320)	-	-
Total business-type activities	17,926,012	17,459,717	-	1,607,295	-	1,141,000	1,141,000	-	-
Total primary government	\$ 120,399,273	\$ 29,322,541	\$ 1,171,491	\$ 4,822,644	(86,223,597)	1,141,000	(85,082,597)	-	-
Component Units:									
Development Authority	\$ 461,305	\$ -	\$ 50,800	\$ -	-	-	-	(410,505)	-
Board of Health	1,711,698	837,025	952,706	-	-	-	-	-	78,033
Total component units	\$ 2,173,003	\$ 837,025	\$ 1,003,506	\$ -	-	-	-	(410,505)	78,033
General revenues and transfers									
General revenues:									
Property taxes					46,930,412	-	46,930,412	-	-
Sales taxes					40,127,654	-	40,127,654	-	-
Other taxes					4,131,492	-	4,131,492	-	-
Unrestricted investment earnings					1,230,907	226,007	1,456,914	7,086	15,682
Gain on disposal of capital assets					62,939	-	62,939	-	-
Miscellaneous revenues					224,942	-	224,942	488,855	-
Transfers					(100,000)	100,000	-	-	-
Total general revenues and transfers					92,608,346	326,007	92,934,353	495,941	15,682
Change in net position					6,384,749	1,467,007	7,851,756	85,436	93,715
Net position - beginning					205,245,908	86,871,631	292,117,539	1,474,804	896,604
Net position - ending					\$ 211,630,657	\$ 88,338,638	\$ 299,969,295	\$ 1,560,240	\$ 990,319

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

Fayette County, Georgia
Balance Sheet
Governmental Funds
June 30, 2020

	General	Fire Services	2017 SPLOST	County-Wide Roads SPLOST	Non-Major Governmental Funds	Total Governmental Funds
ASSETS:						
Cash and cash equivalents	\$ 23,897,256	\$ 6,202,728	\$ 25,908,794	\$ 2,968,502	\$ 21,495,398	\$ 80,472,678
Investments	3,588,790	-	-	27,783,739	-	31,372,529
Receivables, net	3,553,985	187,795	2,780,967	-	1,049,950	7,572,697
Due from other funds	227	-	-	-	-	227
Inventories	126,791	-	-	-	-	126,791
Advances to other funds	3,453,956	-	-	-	-	3,453,956
Total assets	<u>\$ 34,621,005</u>	<u>\$ 6,390,523</u>	<u>\$ 28,689,761</u>	<u>\$ 30,752,241</u>	<u>\$ 22,545,348</u>	<u>\$ 122,998,878</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:						
Liabilities:						
Accounts payable	\$ 1,249,207	\$ 13,946	\$ 956,735	\$ 101,272	\$ 840,071	\$ 3,161,231
Salary and benefits payable	846,107	216,976	-	-	123,114	1,186,197
Advances from other funds	-	-	3,453,956	-	-	3,453,956
Due to other funds	-	-	-	-	227	227
Unearned revenue	16,504	-	-	-	-	16,504
Total liabilities	<u>2,111,818</u>	<u>230,922</u>	<u>4,410,691</u>	<u>101,272</u>	<u>963,412</u>	<u>7,818,115</u>
Deferred inflows of resources -						
Unavailable revenue	<u>726,568</u>	<u>89,085</u>	<u>492,281</u>	<u>-</u>	<u>34,875</u>	<u>1,342,809</u>
Fund balances:						
Nonspendable	3,580,747	-	-	-	-	3,580,747
Restricted	3,210,932	6,070,516	23,786,789	30,650,969	10,283,343	74,002,549
Committed	14,061,197	-	-	-	11,263,718	25,324,915
Assigned	8,520,893	-	-	-	-	8,520,893
Unassigned	2,408,850	-	-	-	-	2,408,850
Total fund balances	<u>31,782,619</u>	<u>6,070,516</u>	<u>23,786,789</u>	<u>30,650,969</u>	<u>21,547,061</u>	<u>113,837,954</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,621,005</u>	<u>\$ 6,390,523</u>	<u>\$ 28,689,761</u>	<u>\$ 30,752,241</u>	<u>\$ 22,545,348</u>	<u>\$ 122,998,878</u>

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

Fayette County, Georgia
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2020

Total fund balances - Governmental Funds	\$	113,837,954
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Amounts for Governmental Activities on the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported as assets in Governmental Funds.		132,621,110
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Prepaid expenses are reported on the consumption method and therefore are not reported in the Governmental Funds.		50,745
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Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources relate to the County's pension plan and OPEB plan.		7,255,964
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Taxes that have been levied for the current and prior years and not collected within sixty days of the year-end are not available soon enough to pay for the current period's expenditures. Therefore, that portion of taxes receivable is reported as unavailable revenues in the Governmental Funds.		1,342,809
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Internal Service Funds are used by management to charge the costs of certain employee insurance coverages and vehicle/equipment expenses to the individual funds. The assets and liabilities of the Internal Service Funds are included in the Governmental Activities in the Statement of Net Position.

Net position of the Internal Service Funds	11,841,810		
Less: Capital assets (included above)	(8,436,139)		3,405,671

Long-term liabilities are not due and payable in the current period and therefore, are not reported as liabilities in the Governmental Funds.

Revenue bonds payable	(29,120,000)		
Deferred charges on refunding	1,996,101		
Compensated absences	(3,054,129)		
Early termination benefits	(57,915)		
Accrued interest	(48,454)		
Net pension liability	(12,775,239)		
Total OPEB liability	(577,469)		(43,637,105)

Deferred inflows of resources are not available to pay for current expenditures and, therefore, are not reported in the funds. These deferred inflows of resources relate to the County's pension plan and OPEB plan.		(3,246,491)
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Total net position - Governmental Activities	\$	211,630,657
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The accompanying notes are an integral part of these financial statements.

Fayette County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	General	Fire Services	2017 SPLOST	County-Wide Roads SPLOST	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:						
Taxes:						
Property	\$ 34,418,262	\$ 9,018,961	\$ -	\$ -	\$ 3,538,987	\$ 46,976,210
Sales	12,968,871	-	26,692,022	-	-	39,660,893
Other	759,896	3,366,172	-	-	5,424	4,131,492
Licenses and permits	750,274	-	-	-	-	750,274
Intergovernmental	1,471,734	38,426	829,222	-	858,225	3,197,607
Charges for services	3,774,101	138,944	-	-	5,026,517	8,939,562
Fines and forfeitures	1,170,415	-	-	-	836,808	2,007,223
Investment earnings	974,005	67,043	324,602	506,686	133,733	2,006,069
Contributions and donations	22,883	-	-	-	6,075	28,958
Miscellaneous revenues	120,777	60,185	-	15,509	32,945	229,416
Total revenues	56,431,218	12,689,731	27,845,846	522,195	10,438,714	107,927,704
EXPENDITURES:						
Current:						
General government	9,111,737	-	-	-	-	9,111,737
Judicial system	5,905,408	-	-	-	1,111,585	7,016,993
Public safety	21,446,814	10,267,984	-	-	7,271,303	38,986,101
Public works	5,761,076	-	-	-	336,501	6,097,577
Health and welfare	878,075	-	-	-	-	878,075
Culture and recreation	2,417,382	-	-	-	-	2,417,382
Housing and development	1,491,960	-	-	-	-	1,491,960
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	889,000	-	-	-	-	889,000
Issuance costs	195,000	-	-	-	-	195,000
Capital outlay	-	-	7,316,770	970,048	3,127,515	11,414,333
Intergovernmental	-	-	14,747,011	-	-	14,747,011
Total expenditures	48,096,452	10,267,984	22,063,781	970,048	11,846,904	93,245,169
Excess (deficiency) of revenues over (under) expenditures	8,334,766	2,421,747	5,782,065	(447,853)	(1,408,190)	14,682,535
OTHER FINANCING SOURCES (USES):						
Transfers in	308,237	105,279	-	-	6,644,976	7,058,492
Transfers out	(7,009,798)	(932,178)	-	-	(691,516)	(8,633,492)
Sale of capital assets	3,000	-	-	-	-	3,000
Refunding bonds issued	29,120,000	-	-	-	-	29,120,000
Payments to refunded bond escrow agent	(28,914,275)	-	-	-	-	(28,914,275)
Total other financing sources (uses)	(6,492,836)	(826,899)	-	-	5,953,460	(1,366,275)
Net change in fund balance	1,841,930	1,594,848	5,782,065	(447,853)	4,545,270	13,316,260
Fund balance, beginning of year, as restated	29,940,689	4,475,668	18,004,724	31,098,822	17,001,791	100,521,694
Fund balance, end of year	\$ 31,782,619	\$ 6,070,516	\$ 23,786,789	\$ 30,650,969	\$ 21,547,061	\$ 113,837,954

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

Fayette County, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances
with the Statement of Activities
For the Fiscal Year Ended June 30, 2020

Net change in fund balances - total Governmental Funds \$ 13,316,260

Amounts for Governmental Activities on the Statement of Activities are different because:

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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	\$ 10,845,957	
Depreciation expense	<u>(6,799,868)</u>	4,046,089

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.		(9,726)
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Prepaid expenses are reported on the purchases method in Governmental Funds but are reported as consumed in the Statement of Net Position		22,185
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Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds.		913,244
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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 financial resources of Governmental Funds. Neither transaction, however, has any effect on net position. Also, Governmental Funds report the effect of premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The detail of the effect of these differences in the treatment of long-term debt and related items is as follows:

Issuance of refunding bonds	(29,120,000)	
Payment to escrow agent	29,479,278	
Accrued interest on refunded bonds	(565,003)	
Amortization of deferred charges	<u>(199,610)</u>	(405,335)

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.

Change in compensated absences	(133,340)	
Change in early termination benefits	42,479	
Change in accrued interest payable	49,322	
Change in pension expense	(12,281,853)	
Change in OPEB expense	<u>39,572</u>	(12,283,820)

Internal Service Funds are used by management to charge the costs of certain employee insurance coverages and vehicle/equipment expenses to the individual funds. The net revenue of certain activities of Internal Service Funds is reported with Governmental Activities.		<u>785,852</u>
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Change in net position of Governmental Activities		<u><u>\$ 6,384,749</u></u>
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The accompanying notes are an integral part of these financial statements.

Fayette County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund Solid Waste	Total	
ASSETS				
Current assets:				
Cash and cash equivalents:				
Unrestricted	\$ 981,373	\$ 37,674	\$ 1,019,047	\$ 2,073,933
Restricted	18,162,821	-	18,162,821	861,057
Cash with fiscal agent	-	-	-	181,508
Accounts receivable, net	1,507,543	7,461	1,515,004	1,162,757
Inventories	476,796	-	476,796	-
Prepaid items	5,862	-	5,862	100,329
Total current assets	21,134,395	45,135	21,179,530	4,379,584
Noncurrent assets:				
Capital assets:				
Nondepreciable	23,810,647	111,853	23,922,500	-
Depreciable, net	78,717,898	42,037	78,759,935	8,436,139
Total capital assets	102,528,545	153,890	102,682,435	8,436,139
Total assets	123,662,940	199,025	123,861,965	12,815,723
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions	761,420	13,190	774,610	-
Related to OPEB	4,548	58	4,606	-
Deferred charges on refundings	991,042	-	991,042	-
Total deferred outflows of resources	1,757,010	13,248	1,770,258	-

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

Fayette County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund Solid Waste	Total	
LIABILITIES				
Current liabilities:				
Accounts payable	1,518,545	7,900	1,526,445	-
Claims payable	-	-	-	372,913
Salaries and benefits payable	109,866	1,460	111,326	-
Compensated absences	83,335	344	83,679	-
Unearned revenue	324,900	-	324,900	-
Accrued interest payable	259,981	-	259,981	-
Revenue bonds payable - current	4,195,000	-	4,195,000	-
Total current liabilities	<u>6,491,627</u>	<u>9,704</u>	<u>6,501,331</u>	<u>372,913</u>
Noncurrent liabilities:				
Compensated absences	138,750	2,674	141,424	-
Certificates of participation	-	-	-	601,000
Bonds payable (net of discounts and premiums)	28,804,904	-	28,804,904	-
Landfill closure & postclosure	-	68,571	68,571	-
Net pension liability	1,349,399	23,375	1,372,774	-
Total OPEB liability	<u>55,486</u>	<u>707</u>	<u>56,193</u>	<u>-</u>
	<u>30,348,539</u>	<u>95,327</u>	<u>30,443,866</u>	<u>601,000</u>
Total liabilities	<u>36,840,166</u>	<u>105,031</u>	<u>36,945,197</u>	<u>973,913</u>
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	338,067	5,856	343,923	-
Related to OPEB	<u>4,409</u>	<u>56</u>	<u>4,465</u>	<u>-</u>
Total deferred outflows of resources	<u>342,476</u>	<u>5,912</u>	<u>348,388</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	70,494,125	153,890	70,648,015	7,835,139
Restricted for:				
Debt service	9,027,721	-	9,027,721	-
Renewal and construction	13,520,694	-	13,520,694	-
Unrestricted	<u>(4,805,232)</u>	<u>(52,560)</u>	<u>(4,857,792)</u>	<u>4,006,671</u>
Total net position	<u>\$ 88,237,308</u>	<u>\$ 101,330</u>	<u>\$ 88,338,638</u>	<u>\$ 11,841,810</u>

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

Fayette County, Georgia
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund	Total	
		Solid Waste		
Operating Revenues:				
Charges for sales and services:				
Water sales	\$ 17,379,103	\$ -	\$ 17,379,103	\$ -
Solid waste fees	-	80,614	80,614	-
Other services	-	-	-	9,758,911
Total operating revenues	17,379,103	80,614	17,459,717	9,758,911
Operating Expenses:				
Costs of sales and services	6,867,198	255,607	7,122,805	8,776,594
Administration	4,023,842	-	4,023,842	583,524
Depreciation	5,654,577	16,327	5,670,904	1,372,460
Total operating expenses	16,545,617	271,934	16,817,551	10,732,578
Operating income (loss)	833,486	(191,320)	642,166	(973,667)
Nonoperating Revenues (Expenses):				
Interest income	226,007	-	226,007	56,126
Interest expense	(1,103,352)	-	(1,103,352)	(10,607)
Gain (loss) on disposal of capital assets	-	-	-	69,665
Other expense	(5,109)	-	(5,109)	-
Total nonoperating revenues (expenses)	(882,454)	-	(882,454)	115,184
Income (loss) before contributions and transfers	(48,968)	(191,320)	(240,288)	(858,483)
Capital contributions	1,607,295	-	1,607,295	169,335
Transfers in	-	100,000	100,000	1,495,000
Transfers out	-	-	-	(20,000)
Change in net position	1,558,327	(91,320)	1,467,007	785,852
Total net position - beginning	86,678,981	192,650	86,871,631	11,055,958
Total net position - ending	\$ 88,237,308	\$ 101,330	\$ 88,338,638	\$ 11,841,810

The accompanying notes are an integral part of these financial statements

Fayette County, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental
	Water	Other Enterprise		Activities -
	System	Fund		Internal
		Solid	Total	Service Funds
		Waste		
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 17,684,520	\$ 80,519	\$ 17,765,039	\$ 1,747,683
Receipts from interfund services provided	-	-	-	7,843,229
Payments to vendors and service providers	(5,311,572)	(153,742)	(5,465,314)	(9,772,775)
Payments to employees for salaries	(3,169,737)	(42,172)	(3,211,909)	-
Payments for employee taxes and benefits	(1,021,023)	(13,741)	(1,034,764)	-
Net cash provided (used) by operating activities	8,182,188	(129,136)	8,053,052	(181,863)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in from other funds	-	100,000	100,000	1,495,000
Transfers out to other funds	-	-	-	(20,000)
Net cash provided (used) by noncapital financing activities	-	100,000	100,000	1,475,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Principal paid on revenue bonds	(4,195,000)	-	(4,195,000)	-
Interest paid on revenue bonds	(1,178,560)	-	(1,178,560)	-
Interest paid on certificates of participation	-	-	-	(10,607)
Acquisition and construction of capital assets	(1,820,593)	-	(1,820,593)	(1,692,337)
Proceeds from sale of capital assets	-	-	-	96,309
Net cash used by capital and related financing activities	(7,194,153)	-	(7,194,153)	(1,606,635)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	226,007	-	226,007	56,126
Net cash provided by investing activities	226,007	-	226,007	56,126
Net increase (decrease) in cash and cash equivalents	1,214,042	(29,136)	1,184,906	(257,372)
Cash and cash equivalents at beginning of year	17,930,152	66,810	17,996,962	3,373,870
Cash and cash equivalents at end of year	\$ 19,144,194	\$ 37,674	\$ 19,181,868	\$ 3,116,498

Continued on next page

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

Fayette County, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
		Other Enterprise Fund		
	Water System	Solid Waste	Total	
Reconciliation of Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 833,486	\$ (191,320)	\$ 642,166	\$ (973,667)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	5,654,577	16,327	5,670,904	1,372,460
Decrease (increase) in:				
Accounts receivable	198,013	(95)	197,918	(167,999)
Inventory	56,821	-	56,821	-
Prepaid items	10,721	-	10,721	(100,329)
Deferred outflows of resources	128,572	1,188	129,760	
Increase (decrease) in:				
Accounts payable	(43,844)	(1,043)	(44,887)	-
Claims payable	-	-	-	(312,328)
Salaries and benefits payable	21,953	319	22,272	-
Compensated absences	12,530	480	13,010	-
Unearned revenue	128,900	-	128,900	-
Landfill closure & postclosure	-	23,864	23,864	-
Net pension liability	941,688	16,790	958,478	-
Total OPEB liability	(11,160)	(65)	(11,225)	-
Deferred inflows of resources	249,931	4,419	254,350	-
Total adjustments	7,348,702	62,184	7,410,886	791,804
Net cash provided (used) by operating activities	\$ 8,182,188	\$ (129,136)	\$ 8,053,052	\$ (181,863)

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:

Contributions of capital assets	\$ 1,607,295	\$ -	\$ 1,607,295	\$ 169,335
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The accompanying notes are an integral part of these financial statements.

Fayette County, Georgia
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2020

ASSETS

Cash and cash equivalents	\$ 5,384,579
Taxes receivable	<u>3,456,621</u>

Total assets	<u><u>\$ 8,841,200</u></u>
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LIABILITIES

Due to others	<u>\$ 8,841,200</u>
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Total liabilities	<u><u>\$ 8,841,200</u></u>
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The accompanying notes are an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of Fayette County, Georgia (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Fayette County, Georgia was established in 1821 and is a body corporate and politic organized and existing under the Constitution and laws of the State of Georgia. The County operates under a Board of Commissioners – County Administrator form of government and provides the following services as authorized by its charter: Public Safety, Public Works, Culture, Recreation, Community Services and other General Government Services.

The governing authority of the County is a Board of Commissioners, consisting of five part-time members, who serve for four-year staggered terms. The Board appoints the County Administrator, who serves as the County's chief administrative officer. The County Administrator is responsible for the daily operations of all County functions in accordance with the policies of the Board of Commissioners.

For financial reporting purposes, the reporting entity includes all funds, agencies and authorities for which the County holds corporate powers and all component units for which the County is financially accountable. The (GASB) has established criteria to consider in determining financial accountability. The criteria are: appointment of a majority of the voting members of an organization's governing board, and either (1) the County has the ability to impose its will on the organization or (2) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.

As required by U.S. GAAP, these financial statements present the County, the primary government, and its component units. The component units are included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

Blended Component Unit. The Fayette County Public Facilities Authority is a legally separate entity from the County but is part of the County and is blended into the General Capital Projects Fund, a nonmajor governmental fund. Bond payments are paid from the General Fund. The Fayette County Public Facilities Authority does not have separately issued financial statements for the year ended June 30, 2020. The sole purpose of The Fayette County Public Facilities Authority is to serve as a financial conduit for debt issued to construct and/or maintain public buildings and related projects. The Fayette County Public Facilities Authority is governed by a three-member board appointed by the County's Board of Commissioners. There is a financial benefit (burden) and operational responsibility between the County and The Fayette County Public Facilities Authority.

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Discretely Presented Component Units. The discretely presented component units are the Fayette County Development Authority (Development Authority) and the Fayette County Board of Health (Board of Health). The Development Authority is legally separate from, but financially accountable to, the County, as the County can impose its will on the Development Authority as the Board of Commissioners appoints the members of the Development Authority's governing board to staggered terms. The Development Authority is responsible for adopting its own annual budget and making its own operating decisions. However, Fayette County does provide substantial financial support each year and has contractually obligated itself to use its taxing power to guarantee the repayment of principal and interest on certain industrial revenue bonds issued by the Development Authority. The Development Authority meets the criteria of a discretely presented component unit. It is not financially dependent upon another government organization and should not be presented in any other governmental entity's financial statements. The Development Authority is a governmental fund and has separately issued financial statements for the year ended June 30, 2020, which are available at the Fayette County Development Authority, 200 Courthouse Square, Fayetteville, Georgia, 30214.

The Fayette County Board of Health is responsible for providing environmental and physical health services to the citizens of Fayette County. The Board of Commissioners appoints the majority of the members of the Board of Health's governing board. The Board of Commissioners reviews the proposed annual budget of the Health Department and makes a decision as to the County's funding contribution level for each fiscal year. The County also provides the Board of Health with free office space at the Fayette County Administrative Complex. The Board of Health is a governmental fund and has separately issued financial statements for the year ended June 30, 2020, which are available at the Fayette County Board of Health, 140 Stonewall Avenue W, Suite 107, Fayetteville, Georgia 30214.

Joint Venture. Under Georgia law, the County, in conjunction with other cities and counties in the ten-county metro Atlanta area are members of the Atlanta Regional Commission (ARC). Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides the organizational structure of the ARC. Membership in the ARC includes the chief elected official of each county and municipality of the area. During 2020 payments to the ARC from the County amounted to \$130,960. OCGA Section 50-8-39.1 provides that the member governments are liable for obligations of the ARC. The financial requirements of the County related to the ARC are limited to the amount of its annual dues. Separate financial statements may be obtained from the ARC's administrative office, 229 Peachtree Street NE, Suite 100, Atlanta, Georgia 30303.

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Basis of Presentation – Government-Wide Financial Statements

Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities. They contain information on all the activities of the primary government and its component units except for fiduciary activities. Most effects of interfund activities have been eliminated from these statements. The exceptions are charges between the County's Water System and various other functions of the County. Elimination of these charges would distort the direct expenses and program revenues reported for the various functions concerned. The government-wide statements for the primary government are separated based on the predominance of the type of revenues that support them. Governmental activities are normally supported by taxes and intergovernmental revenues, while business-type activities receive a significant portion of revenues from fees and charges for services. Certain entities that are legally separate, but financially accountable to the primary government are reported separately on the government-wide statements. The County currently has two of these entities, its discretely presented component units.

The statement of activities is presented to show the extent that program revenues of a given activity support direct expenses. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenues are: (1) charges to customers or others who purchase, use or directly benefit from the services or goods provided by a given activity or segment or (2) grants or other contributions that are restricted to operating or capital needs of a specific activity or segment. General revenues are those revenues like taxes and other items that are not properly reported as program revenues.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary and blended component units. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- *General Fund* – this is the County's main operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- *Fire Services Tax District* - accounts for those expenditures incurred to provide fire protection services to those citizens and businesses in the County not being served by the Peachtree City or Fayetteville Fire Departments. Revenues to fund this public safety activity are derived principally from a separate tax levy on those property owners located in the Fire Services Special Tax District.

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- *2017 SPLOST Capital Projects Fund* - used to account for a 1% Special Purpose Local Option Sales Tax (SPLOST) passed by voter referendum on March 21, 2017 for the purpose of transportation, stormwater infrastructure, public safety radio system, fire and emergency equipment and facility, as well as a historic restoration project in Woolsey.
- *County-Wide Roads SPLOST Capital Projects Fund* - used to account for a segment of the revenues and expenditures associated with the 1% Special Purpose Local Option Sales Tax (SPLOST) passed by voter referendum on November 2, 2004 for the construction of roads, streets, and bridges. This Capital Projects Fund is used to record the financial activity from 70% of the SPLOST proceeds that were earmarked for projects considered to provide a county-wide benefit.

The County reports the following major enterprise funds:

- *Water System Fund* - accounts for the activities of the County's water system operations. The Water System provides potable water services to approximately 31,000 customers in the unincorporated County and in Peachtree City, Tyrone, Woolsey and Brooks.

Additionally, the County reports the following fund types:

- *Internal Service Funds* – provides goods or services primarily to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. The County uses the following Internal Service Funds: Worker's Compensation, Dental and Vision, Major Medical Self-Insurance Funds, and a Vehicle/Equipment Replacement Fund. In the government-wide statements, internal service funds are included with governmental activities.
- *Fiduciary Funds* are excluded from the government-wide financial statements but are presented in a separate statement of fiduciary net position. The County's fiduciary funds include agency funds. Agency funds represent the activities of the Tax Commissioner, Sheriff's Office, Superior Court, State Court, Magistrate Court, Juvenile Court, Probate Court and Griffin Judicial Circuit.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

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Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

Measurement focus refers to the types of assets that appear in the statement of net position and changes to those same assets that appear in the statement of activities. The flow of financial resources measurement focus shows current assets, liabilities, and deferred inflows in the statement of net position and changes to net position in the statement of activities. The flow of economic resources measurement focus shows total assets, deferred outflows, liabilities, and deferred inflows in the statement of net position and changes to net position in the statement of activities. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Government-wide, proprietary, and fiduciary fund statements use the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of the timing of the related cash flows. Un-billed fees for proprietary funds are recorded as receivables at year-end. Property taxes are recorded as revenues in the year for which they are levied. Grants and similar other contributions are recognized as revenue as soon as the eligibility requirements of the provider have been met.

Governmental fund statements use the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis, revenues are recognized when they become measurable and available. “Measurable” means that amounts can be reasonably determined within the current period. “Available” means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. As a practical matter, the County uses sixty days as a cutoff for meeting the available criterion. Property taxes are considered “measurable” when levied and available when collected and held by the County. Any amounts not available are recorded as deferred inflow of resources. Other revenues that are determined to be susceptible to accrual include franchise taxes, licenses intergovernmental revenues, charges for services, interest, assessments, interfund service charges, permits, fines, forfeitures, and sale of property. Property taxes and assessments are recorded as receivables when levied or assessed; however, they are reported as deferred outflow of resources until the “available” criterion has been met. Sales and use taxes collected by the state and remitted to the City within the “available” time period are recognized as revenue. Revenues collected in advance are recorded as advances and recognized in the period to which they apply.

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Revenues that are determined to not be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period (two months) or are not objectively measurable include other revenue items. These revenues are recognized when cash is received.

Expenditures are recognized in the accounting period in which the fund liability is incurred, except for long-term obligations (debt service payments, long-term compensated absences, and other postemployment benefits) and related interest, which are recognized as expenditures when due. Inventories of supplies are expended when purchased.

Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, cash with fiscal agent, demand deposits, funds on deposit in the Georgia Fund 1 State Investment Pool, and short-term investments with original maturities of three months or less from the date of acquisition.

The statutes of the State of Georgia authorize the County to invest in U.S. Government obligations; U.S. Government agency obligations; State of Georgia obligations; 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 U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

The local government investment pool, Georgia Fund 1, created by the Official Code of Georgia Annotated (OCGA) § 36-83-8, is a stable asset value investment pool, which follows Standard and Poor’s criteria for AA+ 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 value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant’s shares sold and redeemed based on a \$1 per share. The pool also adjusts the value of its investments to fair market value at year-end and the County’s investment in Georgia Fund 1 is reported at fair value.

The remaining investments are reported at fair value, which is determined using selected bases. Increases and decreases in the fair value during the year are recognized as a component of interest income.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to either as “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund loans). 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”.

Inventories

Inventories in the Water System enterprise fund are valued at cost, which approximates market value using the first-in, first-out (FIFO) method. Inventories primarily consist of meters, and pipe and fittings intended for use in construction of line extensions and to support the maintenance work on the system. Inventories of Governmental Funds are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenditures/Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the Government-Wide and Proprietary Fund Financial Statements. Prepaid Items are recorded as expenditures/expenses when consumed rather than when purchased. In the governmental funds, prepaid items are recorded as expenditures when purchased.

Restricted Assets

In the Vehicle/Equipment Replacement Internal Service Fund which is included in the Governmental Activities on the Government-Wide Statements, the unused proceeds of the certificates of participation are classified as restricted assets on the Statement of Net Position because their use is limited pursuant to an agreement with the Georgia Municipal Association. These monies are to be used to pay off the outstanding obligation when it becomes due.

Certain proceeds of the Water System Enterprise Fund revenue bonds, as well as certain resources set aside for their payment are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants. The “revenue bond construction” account is used to report those proceeds of revenue bond issuances that are restricted for use in construction. The “revenue bond sinking fund” account is used to segregate resources accumulated for debt service payments over the next twelve months. The “revenue bond debt service reserve” account is used to report resources set aside to subsidize the potential future deficiencies in the revenue bond sinking fund account. The “revenue bond renewal and extension” account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, distribution lines, and similar items), are reported in the applicable Governmental or Business-Type Activities column of the Government-Wide Financial Statements. Capital assets, other than infrastructure assets, are defined by the County as assets with an initial individual cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are stated at acquisition value.

In the case of the initial capitalization of infrastructure assets, the County chose to include all such items regardless of the acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through back trending. As the County constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts pent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

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

<u>Asset Classification</u>	<u>Years</u>
Buildings and structures	40
Infrastructure	15 - 40
Improvements	10
Machinery and equipment	5 -20
Vehicles	7 - 15

Long-Term Liabilities

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, as well as deferred charges, are deferred and amortized over the life of the bonds using the straight-line method, which is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

County employees are granted vacation, compensatory, holiday and sick leave in varying amounts. It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits up to a specified maximum number of hours. Compensatory and holiday leave is accumulated based on departmental discretion of need. In the event of termination of employment, an employee is paid for accrued annual, compensatory, and holiday leave days. In addition, regular full-time employees hired before March 1, 1998, with three or more years of service who resign in good standing or retire from service with the County may elect to be paid at the rate of \$15 for each day of unused sick leave up to a maximum of \$900. For other employees, the balance is treated as credited service for the defined benefit pension plan.

Vacation, compensatory, holiday and termination sick leave pay are accrued when incurred in proprietary funds and reported as a fund liability. On the Government-Wide Statements, vacation, compensatory, holiday, and termination sick leave pay is accrued and reported as a liability for the Governmental Activities similar to Business-Type Activities. Vacation, compensatory, holiday, and termination sick leave pay that has matured and is reimbursable to an employee is reported as an expenditure and a fund liability of the Governmental Funds that are responsible for payment.

Pensions and OPEB

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net position or fund balance that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has three items that qualify for reporting in this category. One item is the deferred charges on refunding, which is 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

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the refunding debt. The remaining items relate to the County's Pension and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position. These relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net position or 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 three items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and sales taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other two items relate to the deferred amounts in the County's Pension and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position.

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Balance

In governmental fund types, the difference between fund assets, deferred outflows of resources, liabilities, and deferred inflows of resources is “fund balance” in governmental fund statements.

In governmental fund financial statements, fund balances are classified primarily on the basis of extent to which the County is bound to observe constraints imposed upon the use of the resources in the fund as follows:

- Nonspendable fund balances include items that cannot be spent because they are either not in spendable form (such as inventories, prepaid amounts, and the long-term portion of loans/notes receivables) or legally or contractually required to be maintained intact (such as the principal of a permanent fund).
- Restricted fund balances have constraints placed upon the use of the resources by an external party or imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances can only be used for specific purposes pursuant to the constraints imposed by a formal action (resolution) of the Board of Commissioners. Only the Board of Commissioners may modify or rescind the commitment.
- Assigned fund balances include amounts that are constrained by the County’s intent to be used for a specific purpose but are neither restricted nor committed. Assignments of fund balances are created by the Board of Commissioners.
- Unassigned fund balance is the residual amount of the General Fund not included in the four categories above. Also any deficit fund balances within the other governmental fund types are reported as unassigned.

Flow Assumptions - When both restricted and non-restricted fund balance is available for expenditure appropriation, the County’s policy is to use restricted fund balance first. When committed, assigned or unassigned fund balance is available to use for expenditure appropriation, the County’s policy is to use committed first, assigned second, and then unassigned fund balance.

Capital Contributions

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the County has recorded capital contributions received by the Water System enterprise fund as capital contributions revenue. Capital contributions include amounts received from Federal, State and other governments for aid in construction and development of the Water System. Also included are amounts received from real estate sub-dividers for water line extensions built by sub-dividers and contributed to the Water System, both of which are capitalized as part of the water system’s capital assets. It also includes amounts received for meter, connection and tap fees from sub-dividers and other customers. The actual cost of meter installations has been capitalized as part of the water distribution system.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The applicable statutes of the State of Georgia require Fayette County to operate under an annual balanced budget adopted by resolution. A budget is defined as being balanced when the sum of estimated net revenues and appropriated fund balance is equal to appropriations. Because the Board of Commissioners adopts each of its operating budgets at the department level, the applicable State statutes require that total expenditures not exceed the total amount of appropriations at the individual department level.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all of the Special Revenue Funds. Operating budgets are not prepared for the Internal Service Funds or the Agency Funds. Expenditures for those funds are controlled by legal use restrictions imposed by ordinances. For administrative control purposes, cash flow budgets are adopted for each of the Enterprise Funds. Project-length plans are adopted for the Capital Projects Funds.

The County adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

1. In April of each year, all departments submit requests for appropriation to the County Administrator so that an annual operating budget can be prepared. The budget is prepared by fund, function and department, and includes information on the past year, current year estimates and requested appropriation amounts for the next fiscal year.
2. Prior to May 1, the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the general fund and special revenue funds.
3. In late May and early June, public hearings are conducted to obtain taxpayer comments about the proposed budget.
4. Prior to July 1, the budget is legally enacted through the passage of an appropriation ordinance by the Commission.

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NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Operating budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of control (i.e. the level at which the governing body must approve any over expenditures of appropriations or transfers of appropriated amounts) for each legally adopted annual operating budget for Fayette County, Georgia is at the departmental level within each fund. Unexpended appropriations lapse at year-end.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. Encumbrances of the General Fund outstanding at year end are reported as one component of Assigned Fund Balance. Encumbrances do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbrances lapse at year-end and are reappropriated as part of the ensuing year's budget.

Formal budget integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Individual budgets and actual statements are presented for these funds at the department level. To help ensure that each department keeps their spending during the year within its total approved appropriations amount, certain internal administrative controls are utilized. County department heads are authorized to approve budget transfers between the various line item expenditure accounts within their departments. All other transfers or supplemental appropriations, which change the total budget for a departmental cost center, must be approved by the Board of Commissioners.

Debt Service and Sinking Fund Requirements on Water Revenue Bonds

Sinking Fund Requirements - The bond resolutions require the creation and maintenance of a sinking fund that is to be used to pay the principal and interest on the revenue bonds as they become due. The bond resolutions specifically require that monies be deposited monthly into the sinking fund until such time that sufficient funds are on hand to pay the semi-annual interest payments and the bonds as they mature.

During fiscal year ended June 30, 2020, \$5,207,992 was paid from the revenue fund into the sinking fund (including the debt service reserve account) with required debt and interest payments made from the sinking funds when due.

Debt Service Reserve - The bond resolutions require the creation and maintenance of a debt service reserve within the sinking fund. According to the resolutions, monies are to be transferred each month from the revenue fund to the reserve so that the reserve will be fully funded by June 1, 2021. The debt reserve balance at June 30, 2020 is \$5,556,517, the sinking fund balances are \$3,471,204, for a debt service total of \$9,027,721 which is shown as restricted cash in the proprietary funds.

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NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Renewal and Extension Fund - After the monthly operating and maintenance expenses have been paid and the required debt service transfers have been made, all monies remaining in the revenue fund in excess of a working capital reserve (in an amount not to exceed one month's estimated operating and maintenance expenses) are to be transferred to the renewal and extension fund. The bond resolutions restrict disbursements from this fund to the following:

- a. Paying principal of and interest on any revenue bonds then outstanding and falling due at any time for the payment of which money is not available in the Sinking Fund securing the payment of same and interest thereon;
- b. In case of an emergency having a major effect upon the System, or water and sewerage system if combined, caused by some extraordinary occurrence that makes it necessary to use the funds of the System for the alleviation or removal of such effects and an insufficiency of money exists in the Revenue Fund to meet such emergency;
- c. Making replacements, additions, extensions, and improvements to the system and acquiring equipment deemed to be reasonable and in the best interest of the County and the bond owners;
- d. Payment of the charges of the Depository of the renewal and extension fund for investment services; and
- e. The transfer of moneys, if any required, pursuant to the provisions of Section 18 of the bond resolution.

Rates and Fee Requirements

In accordance with the bond resolutions, the Water System's schedule of rates, fees, and charges for services shall be maintained at such a level so as to produce net revenues (after payment of reasonable and necessary cost of operating and maintaining the system) equal to at least 1.20 times the amount required to be paid in to the sinking fund in the current sinking fund year. This ratio is computed annually. For the year ended June 30, 2020, the County was in compliance with this requirement.

NOTE 3 – CASH AND INVESTMENTS

Demand Deposits at Financial Institutions

Custodial Credit Risk: Custodial credit risk for demand deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and our bond resolutions require all deposits and investments (other than federal or state government instruments) be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. As of June 30, 2020, the County had no uncollateralized deposits.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 3 – CASH AND INVESTMENTS

Investments

Credit Risk: Credit risk for investments is the risk that an issuer or other counterparty will not fulfill its obligations. State statutes authorize the County to invest in obligations of the State of Georgia or of other states; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government Agency; obligations of any corporation of the U.S. Government; repurchase agreements backed by the U.S. Government or a U.S. Government Agency; prime banker's acceptances that are eligible for purchase by the Federal Reserve bank and have a Letter of Credit rating of A+ or better; the Local Government Investment Pool (LGIP); obligations of Other Political Subdivisions of the State of Georgia.

The County's investment policy permits the investment of County funds in the Georgia Fund 1, United States Treasury securities, United States Government Agency securities with the full faith and credit of the United States Government, Federal Instrumentalities (Government Sponsored Enterprises), time deposits (certificates of deposit) and savings accounts of financial institutions that are qualified public depositories, and money market funds.

One measure of the perceived credit risk of an issuer is the credit rating. The County's investment policy provides strict guidelines and limits investments to highly rated securities with minimum ratings of AAA money market funds, AAA rated agency notes, AAA rated Government Sponsored Enterprises, AAA Federal Deposit Insurance Corp backed notes and U.S. Treasuries.

As a means of reducing the risk associated with counterparties, the County utilizes the State Investment Pool for the majority of its short-term investment needs. Georgia Fund 1, which was created by the Official Code of Georgia Annotated ("OCGA") § 36-83-8, is a stable net asset value investment pool, which follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund 1 operates in a manner consistent with a Rule 20-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. Georgia Fund 1 is not registered with the Securities and Exchange Commission as an investment company. The Georgia Office of the State Treasurer is the regulatory oversight agency of Georgia Fund 1. Georgia Fund 1's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. Georgia Fund 1 distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed on \$1.00 per share. As of June 30, 2020, the County's investment in Georgia Fund 1 was rated AA+ by Standard and Poor's.

Concentration of Credit Risk: An additional dimension of credit risk relates to the amount of investment in any one entity. The greater the reliance on a single investment vehicle or issuer, the greater the concentration of the associated risk becomes for the portfolio. However with that said, the County does not consider having a large percentage of U.S. Government issued or backed investments in the portfolio as increasing its investment risks because of the financial stability of the issuer.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 3 – CASH AND INVESTMENTS

To minimize this component of credit risk, the County's investment policy also provides asset allocation limits for each security type. Issuer limits are provided for each investment type with the exception of U.S. Treasuries which have a 100% permitted allocation. The following guidelines represent maximum limits established for diversification by instrument by the Fayette County Board of Commissioners:

• U.S. Treasury Obligations	100%
• U.S. Government Agency Securities and Securities Issued by Instrumentalities of Government Sponsored Corporations	50%
• Repurchase Agreements	25%
• Prime Banker's Acceptances	10%
• Local Government Investment Pools	100%
• Certificates of Deposit	50%
• Obligations of Other Political Subdivisions of the State of Georgia	25%

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no specific investment policy in regards to custodial credit risk for investments.

However as part of the County's investment program, a large percentage of the investment portfolio is held by the State of Georgia (i.e., Georgia Fund 1). In addition, the County's externally managed open market security investments are held with a third party custodian in accordance with Georgia Code. The County's investment holdings are designated as assets of the County in separate accounts in the County's name.

Interest Rate Risk: Interest rate risk arises from investments in debt instruments and represents the risk that changes in the interest rate will adversely affect the fair value of an investment. For example, the amount of the loss in the fair value of a fixed-income security increase as the current market interest rate related to the investment rises.

The County employs multiple investment duration and investment management strategies which seek to minimize the County's portfolio interest rate risk. As a means of limiting exposure to fair value losses arising from rising interest rates, the County's Policy limits the investment of operating funds to investments with a stated maturity of no more than 5 years from the date of purchase.

The County maintains liquidity in overnight investment vehicles for short term expenditures and remaining assets are invested in short term securities with maturity limitations and by security type for the entire portfolio. The investment program is designed to diversify and minimize changes in market price as interest rates change.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 3 – CASH AND INVESTMENTS

The County utilizes an external investment manager to actively manage a portion of its investment portfolio. Performance is measured in total return against the 1 - 3 Year U.S. Treasury/Agency benchmark. The County utilizes two investment portfolios with the external manager, an enhanced cash portfolio with a duration of less than a year, and a core portfolio with a duration strategy between 1.5 and 2.0 years. This dual portfolio strategy is structured to manage interest rate volatility. All assets managed by the external manager are held in custody with the Bank of New York in the County's name.

Investment cash equivalents comprised \$65,518,279 at year end. These cash equivalents, which are shown in the table below, represented monies deposited into the State Investment Pool which is essentially a money market account with one day's liquidity. With the ability to quickly access these funds should the need arise, the County feels that it has sufficient flexibility to address interest rate risk should the rates suddenly rise since there would be no real exigency to sell any of the longer term investments prior to their actual maturities.

Cash Equivalents:	<u>FAIR VALUE</u>	<u>MATURITIES</u>
Georgia Fund 1 Investment Pool	<u>\$65,518,279</u>	38 Day Weighted Average

At June 30, 2020, the County had \$31,372,529 in investments that are not considered cash equivalents by the County because of their longer maturity dates and the fact that these monies are invested over the long-term for the County by an external money manager. The chart below presents the fair value for each security type and maturity distribution for the investments, other than the aforementioned money market position, totaling \$31,372,529 as of June 30, 2020.

Type of Investment	Rating	Investment Maturities (in Years)				Fair Value
		Less than 1	1 - 5	6 - 10	More than 10	
US Treasuries	AA+	\$ 5,734,483	\$ 5,404,591	\$ -	\$ -	\$ 11,139,074
Government Bonds	AA+	3,296,733	9,219,003	4,681,256	372,116	17,569,108
International Bonds	AA+	2,664,347	-	-	-	2,664,347
		<u>\$ 11,695,563</u>	<u>\$ 14,623,594</u>	<u>\$ 4,681,256</u>	<u>\$ 372,116</u>	<u>\$ 31,372,529</u>

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 identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 3 – CASH AND INVESTMENTS

The County has the following recurring financial measurements as of June 30, 2020:

Investment	Level 1	Level 2	Level 3	Fair Value
US Treasuries	\$ -	\$ 11,139,074	\$ -	\$ 11,139,074
Government Bonds	-	17,569,108	-	17,569,108
Money Market Funds	2,664,347	-	-	2,664,347
	<u>\$ 2,664,347</u>	<u>\$ 28,708,182</u>	<u>\$ -</u>	<u>\$ 31,372,529</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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. As a result, the County does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

NOTE 4 – RECEIVABLES

Receivables as of June 30, 2020, including applicable allowances for uncollectible accounts, are as follows:

	General	Fire Services	2017 SPLOST	Non-Major Governmental Funds	Water System	Non-Major Enterprise Funds	Internal Service Funds
Receivables:							
Property taxes	\$ 536,246	\$ 176,955	\$ -	\$ 70,692	\$ -	\$ -	\$ -
Sales taxes	1,578,372	-	2,780,967	-	-	-	-
Interest	4,021	-	-	-	-	-	-
Intergovernmental	22,213	-	-	-	-	-	-
Other receivables	<u>1,524,863</u>	<u>39,857</u>	<u>-</u>	<u>1,054,920</u>	<u>1,632,543</u>	<u>7,461</u>	<u>1,162,757</u>
Gross receivables	3,665,715	216,812	2,780,967	1,125,612	1,632,543	7,461	1,162,757
Less: Allowance for Uncollectibles	<u>(111,730)</u>	<u>(29,017)</u>	<u>-</u>	<u>(75,662)</u>	<u>(125,000)</u>	<u>-</u>	<u>-</u>
Net total receivables	<u>\$ 3,553,985</u>	<u>\$ 187,795</u>	<u>\$ 2,780,967</u>	<u>\$ 1,049,950</u>	<u>\$ 1,507,543</u>	<u>\$ 7,461</u>	<u>\$ 1,162,757</u>

At year-end, the Water System had approximately \$719,000 in billed customer receivables. In addition, a receivable of approximately \$913,000 was recorded for services rendered at year-end but not yet billed at June 30, 2020. The receivable was computed using the cycle billings sent to customers in July and prorating the charges based on the days applicable to the current period.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 5 – PROPERTY TAXES

State law requires that property taxes be based on an assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be returned for tax purposes by April 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Fayette County. The board is composed of three local taxpayers who are appointed for six year terms by the Board of Commissioners.

Upon completion of all assessments and tax returns, the information is turned over to the Fayette County Tax Commissioner for compilation of the tax digest. A completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that the real property on the tax digest has been assessed at the state mandated 40% of fair market value.

The Fayette County Tax Commissioner bills and collects those property taxes levied by the County, the Fayette County Board of Education and the municipalities located within the County. Collections and remittances to the County and other governmental agencies are accounted for in an Agency Fund. Property taxes were levied and billed on September 15, 2019. The billings are considered due upon receipt; however, the actual due date is based on a period ending 60 days after the tax bill mailing. On November 15, 2019, the bills became delinquent, the applicable property is subject to lien, and penalties and interest may be assessed by the County.

All property taxes levied for the current and any previous years, but not received as of June 30, 2020, are shown as property taxes receivable at that date. Any of those taxes, which are determined to be unavailable to pay liabilities of the current period, are classified as "Unavailable Revenue" on the Governmental Fund Statements.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

Governmental Activities	Balance July 01, 2019	Increases	Decreases	Balances June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 15,361,484	\$ 58,418	\$ -	\$ 15,419,902
Construction in progress	19,394,333	10,465,233	(3,939,387)	25,920,179
Total capital assets, not being depreciated	<u>34,755,817</u>	<u>10,523,651</u>	<u>(3,939,387)</u>	<u>41,340,081</u>
Capital assets being depreciated:				
Buildings and structures	86,204,220	949,031	-	87,153,251
Infrastructure	320,596,172	2,441,024	-	323,037,196
Improvements	11,584,540	190,535	(73,432)	11,701,643
Machinery and equipment	22,386,479	718,788	(380,523)	22,724,744
Vehicles	16,344,774	1,815,450	(497,112)	17,663,112
Total capital assets being depreciated	<u>457,116,185</u>	<u>6,114,828</u>	<u>(951,067)</u>	<u>462,279,946</u>
Less accumulated depreciation for:				
Buildings and structures	(39,085,612)	(2,484,794)	-	(41,570,406)
Infrastructure	(292,178,970)	(2,949,536)	-	(295,128,506)
Improvements	(6,173,205)	(198,000)	73,432	(6,297,773)
Machinery and equipment	(16,505,471)	(1,333,237)	367,993	(17,470,715)
Vehicles	(9,798,028)	(1,206,761)	473,272	(10,531,517)
Total accumulated depreciation	<u>(363,741,286)</u>	<u>(8,172,328)</u>	<u>914,697</u>	<u>(370,998,917)</u>
Total capital assets being depreciated, net	<u>93,374,899</u>	<u>(2,057,500)</u>	<u>(36,370)</u>	<u>91,281,029</u>
Governmental activities capital assets, net	<u>\$ 128,130,716</u>	<u>\$ 8,466,151</u>	<u>\$ (3,975,757)</u>	<u>\$ 132,621,110</u>

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets for them are included as part of the above totals for governmental activities. At year end, \$8,436,139 of internal service funds capital assets are included in the above amounts.

(This page is continued on the subsequent page)

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 6 – CAPITAL ASSETS

The following table shows the same type of information for those capital assets utilized by the Business-Type Activities.

Business-Type Activities	Balance July 01, 2019	Increases	Decreases	Balances June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 20,718,888	\$ -	\$ -	\$ 20,718,888
Construction in progress	2,232,113	1,791,212	(819,713)	3,203,612
Total capital assets, not being depreciated	<u>22,951,001</u>	<u>1,791,212</u>	<u>(819,713)</u>	<u>23,922,500</u>
Capital assets being depreciated:				
Buildings and structures	64,761,830	13,958	-	64,775,788
Infrastructure	96,917,750	1,751,999	-	98,669,749
Improvements	17,373,094	-	-	17,373,094
Machinery and equipment	13,559,281	690,432	(35,748)	14,213,965
Total capital assets being depreciated	<u>192,611,955</u>	<u>2,456,389</u>	<u>(35,748)</u>	<u>195,032,596</u>
Less accumulated depreciation for:				
Buildings and structures	(36,764,705)	(2,076,242)	-	(38,840,947)
Infrastructure	(51,538,134)	(2,339,426)	-	(53,877,560)
Improvements	(12,513,062)	(722,106)	-	(13,235,168)
Machinery and equipment	(9,821,604)	(533,130)	35,748	(10,318,986)
Total accumulated depreciation	<u>(110,637,505)</u>	<u>(5,670,904)</u>	<u>35,748</u>	<u>(116,272,661)</u>
Total capital assets being depreciated, net	<u>81,974,450</u>	<u>(3,214,515)</u>	<u>-</u>	<u>78,759,935</u>
Governmental activities capital assets, net	<u>\$ 104,925,451</u>	<u>\$ (1,423,303)</u>	<u>\$ (819,713)</u>	<u>\$ 102,682,435</u>

Depreciation expense was charged to functions/programs of the Primary Government as follows:

Governmental Activities:

General Government	\$1,067,805
Judicial System	950,738
Public Safety	2,071,188
Public Works	3,647,129
Health and Welfare	10,829
Culture and Recreation	399,826
Housing and Development	<u>24,813</u>

Total depreciation expense – Governmental Activities \$8,172,328

Business-Type Activities:

Water System	\$5,654,577
Solid Waste	<u>16,327</u>

Total depreciation expense – Business-Type Activities \$5,670,904

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2020:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
Governmental Activities					
Revenue bonds					
Series 2011 refunding bonds	\$ 27,800,000	\$ -	\$ (27,800,000)	\$ -	\$ -
Series 2019 refunding bonds*	-	29,120,000	-	29,120,000	2,530,000
	<u>27,800,000</u>	<u>29,120,000</u>	<u>(27,800,000)</u>	<u>29,120,000</u>	<u>2,530,000</u>
Plus deferred amounts for:					
Bond discounts / premiums (net)	873,759	-	(873,759)	-	-
Total revenue bonds payable	<u>28,673,759</u>	<u>29,120,000</u>	<u>(28,673,759)</u>	<u>29,120,000</u>	<u>2,530,000</u>
Certificates of participation	601,000	-	-	601,000	-
Compensated absences	2,920,789	2,111,326	(1,977,986)	3,054,129	727,449
Early termination benefits	100,394	-	(42,479)	57,915	41,298
Governmental Activities noncurrent liabilities	<u>\$ 32,295,942</u>	<u>\$ 31,231,326</u>	<u>\$ (30,694,224)</u>	<u>\$ 32,833,044</u>	<u>\$ 3,298,747</u>

* Direct placement bonds

	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
Business-Type Activities					
Revenue bonds					
Series 1996A revenue bonds	\$ 70,000	\$ -	\$ (35,000)	\$ 35,000	\$ 35,000
Series 2009 revenue bonds	5,805,000	-	(1,960,000)	3,845,000	880,000
Series 2012A revenue bonds	7,870,000	-	(50,000)	7,820,000	50,000
Series 2012B refunding bonds	5,635,000	-	(1,915,000)	3,720,000	2,015,000
Series 2016 refunding bonds*	16,080,000	-	(250,000)	15,830,000	1,215,000
	<u>35,460,000</u>	<u>-</u>	<u>(4,210,000)</u>	<u>31,250,000</u>	<u>4,195,000</u>
Plus deferred amounts for:					
Bond premiums	2,005,279	-	(255,375)	1,749,904	-
Total revenue bonds	<u>37,465,279</u>	<u>-</u>	<u>(4,465,375)</u>	<u>32,999,904</u>	<u>4,195,000</u>
Compensated absences	212,093	169,267	(156,257)	225,103	83,679
Business-Type Activities noncurrent liabilities	<u>\$ 37,677,372</u>	<u>\$ 169,267</u>	<u>\$ (4,621,632)</u>	<u>\$ 33,225,007</u>	<u>\$ 4,278,679</u>

* Direct placement bonds

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

Governmental Activities

Revenue Bonds

As certain construction needs arise that cannot be paid for out of existing cash reserves, the County issues revenue bonds to raise the necessary monies to fund those capital projects. With revenue bonds, the government pledges income derived from the acquired asset to pay debt service. The various bond indentures may contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. Management believes the County is in compliance with all such significant financial limitations and restrictions.

Series 2011 Public Facilities Authority Refunding Revenue Bonds

In April 2011, the Fayette County Public Facilities Authority (a blended component unit) issued \$40,300,000 of Series 2011 Refunding Revenue Bonds. With an average interest rate of 3.88%. The Series 2011 bonds were issued to provide funds to refund (advance refunding) all of the Series 2001 Refunding Revenue Bonds. This along with \$8 million in cash refunded the \$47,995,000 Series 2001 bonds. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. As a result, the Series 2001 are considered defeased and the liability for these bonds have been removed from the statement of net position. The advance refunding reduced its debt service payments by approximately \$6.8 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of more than \$3.3 million.

Series 2019 Public Facilities Authority Refunding Revenue Bonds (Direct Placement)

In the current year, the Fayette County Public Facilities Authority (a blended component unit) issued \$29,120,000 in taxable refunding revenue bonds with an interest rate of 2.10%. The transaction was awarded to Stifel, Nicolaus & Company, Inc. (as the placement agent) and SunTrust Bank (as the purchaser of the bonds). The proceeds along with \$565,003 in cash were used to advance refund \$27,800,000 of outstanding 2011 Refunding Revenue Bonds which had interest rates ranging from 2.00% to 5.00%. The net proceeds of \$29,479,278 (after payment of \$205,725 in underwriting fees and other issuance costs) was deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the 2011 Refunding Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$2,195,711. This amount is reported as a deferred outflow of resources and amortized over the remaining life of the refunding debt. The advance refunding reduced its debt service payments by \$3,084,936 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,948,150.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

Certificates of Participation

In June 1998, the County entered into a lease pool agreement with the Georgia Municipal Association (“the Association” or “GMA”). 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 original participation totaling \$5,000,000. However, the original level of participation has decreased in recent years to only \$601,000 at June 30, 2020.

The lease pool agreement with the Association provides that the County owns its portion of the assets invested by the pool and is responsible for the payment of its portion of principal and interest of the Certificates of Participation. The remaining principal balance of \$601,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year for an annual payment of \$28,548. The County may draw from the investment to lease equipment from the Association. The lease pool agreement requires the County to make payments back into its investment account to fund the 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 monthly floating rate of interest based on the TBMA Municipal Swap Index (plus a 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 Contract 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 (ii) 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. 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 TBMA 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. 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 the risk, the County executed this agreement with counterparties of appropriate credit strength. All participants in the lease pool are required to participate in the interest swap agreement and the Swap Counterparty computes the fair value of the Swap Agreement on the aggregate basis only.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

Early Termination Benefits

In response to the rising cost of personnel and budgetary concerns over falling revenues due to a declining real property tax digest, the County completed an early retirement incentive program prior to the end of the 2012 fiscal year. To be eligible for the early termination benefit, an employee had to be at least 55 years of age and have a minimum of 20 years of service with the County. Out of the 44 employees that met the criteria, 32 chose to accept the retirement package and their employment with the County was terminated on June 30, 2012.

As an incentive to retire early, these employees receive health coverage until age 65, are credited with an additional five years of service and were given an unreduced retirement benefit due to their age. The net present value of the estimated future health coverage benefit is \$57,915 with \$41,298 due in the 2021 fiscal year. As determined by the defined benefit plan's actuary, the estimated additional pension liability associated with the early termination program was \$2,880,000. In keeping with the Board's Resolution for the program dated March 22, 2012 and its commitment to not adversely impact future operating budgets, this amount was deposited by the County into the Defined Benefit Pension Plan on October 26, 2012.

For governmental activities, certificates of participation are being retired by the vehicle/equipment replacement fund. Compensated absences and early termination benefits will be paid from the fund from which the employees' salaries are paid, generally from the general fund. Revenue bonds are generally paid from the general fund.

Business-Type Activities

Revenue Bonds

The Water System (the "System") has pledged future water customer revenues, net of specified operating expenses, to repay \$31.3 million in revenue bonds. Proceeds from the outstanding bonds provided financing for various construction projects and the refunding of prior bonds. These bonds are payable solely from the System's customer net revenues and have varying maturity dates through 2030.

Series 1996A Water Revenue Bonds

In January 1997, the County issued \$10,245,000 in Series 1996A Water Revenue Bonds. Depending upon the specific year, the amount maturing ranged from \$25,000 to \$920,000 with the longest maturity being twenty-four years from the date of issuance. The bonds carry interest rates ranging from 3.5% to 5.5% and are due on October 1, 2020. The Series 1996A Bonds were issued for the purpose of refunding the outstanding Series 1986 Bonds and constructing a water tank on Highway 92 North.

(This page is continued on the subsequent page)

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

Series 2009 Water Revenue Bonds

In August 2009, the County issued \$36,340,000 in Series 2009 Water Revenue Bonds. Depending upon the specific year, the amount maturing ranged from \$85,000 to \$4,415,000 with the longest maturity being roughly twenty years from the date of issuance. The bonds carry interest rates ranging from 2.0% to 5.0% and are due on October 1, 2029. During 2016, the County refunded \$14,855,000 with the issuance of the Series 2016 Water Revenue Refunding Bonds. The Series 2009 Bonds were issued for the purpose of refunding the Series 1998 Revenue Bonds, paying off seven loans from the Georgia Environmental Facilities Authority (GEFA) and providing additional funding for the Lake McIntosh Reservoir Project.

Series 2012A Water Revenue Bonds

In April 2012, the County issued \$8,070,000 in Series 2012A Water Revenue Bonds. Depending upon the specific year, the amount maturing ranged from \$100,000 to \$3,660,000 with the longest maturity being less than thirteen and a half years from the date of issuance. The bonds carry interest rates ranging from 3.0% to 5.0% and are due on October 1, 2025. The Series 2012A Bonds were issued for the purpose of providing funding for the Crosstown Water Treatment Plant Upgrades, the South Fayette Water Treatment Plant Upgrades and the associated engineering and program management costs.

Series 2012B Water Revenue Refunding Bonds

In July 2012, the County issued \$15,590,000 in Series 2012B Water Revenue Refunding Bonds. Depending upon the specific year, the amount maturing ranged from \$45,000 to \$2,015,000 with the longest maturity being less than thirteen and a half years from the date of issuance. The bonds carry interest rates ranging from 3.0% to 5.0% and are due on October 1, 2025. The Series 2012B Bonds were issued for the purpose of refunding the Series 2002 Bonds.

Series 2016 Water Revenue Refunding Bonds (Direct Placement)

In May 2016, the County issued \$16,635,000 in Series 2016 Water Revenue Refunding Bonds. The transaction was awarded to Stifel, Nicolaus & Company, Inc. (as the placement agent) and DNT Asset Trust (as the purchaser of the bonds). Depending upon the specific year, the amount maturing ranged from \$70,000 to \$4,615,000 with the longest maturity being less than thirteen and a half years (i.e., October 1, 2029) from the date of issuance. Interest rates for the various maturities are 2.08%. The refunding resulted in an economic gain (difference between present values of the debt service payment on the old and new debt) of \$981,099 and a book loss of \$1,111,567 that will be amortized as an adjustment of interest expense over the remaining 12 years of the refunding bonds. The Series 2016 Bonds were issued for the purpose of refunding a portion of the Series 2009 Bonds.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2020, are as follows:

Year Ending June 30,	Governmental Activities			
	Revenue Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest
2021	\$ 2,530,000	\$ 598,080	\$ -	\$ 28,548
2022	2,710,000	544,163	-	28,548
2023	2,770,000	486,938	-	28,548
2024	2,830,000	428,453	-	28,548
2025	2,890,000	368,708	-	28,548
2026-2030	15,390,000	902,265	601,000	85,644
	<u>\$ 29,120,000</u>	<u>\$ 3,328,607</u>	<u>\$ 601,000</u>	<u>\$ 228,384</u>

Year Ending June 30,	Business-Type Activities	
	Revenue Bonds	
	Principal	Interest
2021	\$ 4,195,000	\$ 972,441
2022	4,620,000	797,893
2023	4,710,000	658,298
2024	4,870,000	516,438
2025	4,970,000	318,157
2026 - 2030	7,885,000	352,413
	<u>\$ 31,250,000</u>	<u>\$ 3,615,640</u>

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 8 – CLOSURE AND POST-CLOSURE CARE COST

The Fayette County Inert Waste Landfill receives earth-like products such as concrete, asphalt, yard trimmings and land clearing debris such as stumps, limbs and leaves. State and federal laws will require the County to close the landfill once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The County recognizes a prorated portion of the closure and post-closure costs each year even though actual payouts will not occur until the landfill is closed. The amount recognized each year to date is based on the landfill capacity used as of the balance sheet date. As of June 30, 2020, the County has determined that it has used approximately 13,770 cubic yards out of a total available capacity of approximately 152,271 cubic yards which approximates 9.04% capacity used. Further, estimated costs of closure and post closure care costs as determined at June 30, 2020, amount to approximately \$758,532. Based on the above facts and estimated amounts, the County has recorded a liability of \$68,571. The estimated costs of closure and post-closure care are subject to changes such as the effects of inflation, revision of laws and other variables. The estimated remaining life of the landfill is approximately 54 years.

Fayette County closed the Grady Avenue Landfill in 1988 and First Manassas Mile Road (FMMR) Sanitary Landfill in June of 1994. The County has entered into a contractual agreement with an outside contractor to lease an unused part of the old FMMR landfill site as a waste transfer station. With the closing of both of its sanitary landfills prior to June 30, 1994, the Solid Waste Enterprise Fund recognized 100% of the total estimated amount of the closure and postclosure care costs.

NOTE 9 – PENSION PLANS

Fayette County Defined Benefit Plan

The County, as authorized by the County Commission, has established a defined benefit pension plan, The Fayette County Defined Benefit Plan (the Plan). Employees are eligible for the plan if they are at least 18 years old and work a minimum of 30 hours per week. Participation in the defined benefit plan begins upon employment. Participants are vested after 5 years. Employees hired after December 31, 2013 have the choice of participating in the Plan or in the Defined Contribution Plan. The Plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the “ACCG Plan”), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries.

Benefits vest after 5 years. Participants may retire at normal retirement, which is the later of 65, or 5 years of vesting service. Early retirement eligibility is the later of age 55 or 10 years of vesting service. The benefit is as follows:

- 1.50% of average annual compensation multiplied by years of credited service (not to exceed 30) if employment commencement date is prior to January 1, 2014.
- 1.25% of average annual compensation multiplied by years of credited service (not to exceed 30) if employment commencement date is on or after January 1, 2014.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 9 – PENSION PLANS

Average annual compensation is defined as the highest average of the participant's compensation over sixty consecutive months during the ten years preceding the Participant's date of retirement or other termination if employment commencement date is prior to January 1, 2014. If the employee commencement date is on or after January 1, 2014, average annual compensation is defined as the highest average of the participant's compensation over eight-four consecutive months during the ten plan years preceding the participants date of retirement or other termination.

The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership. As of January 1, 2019, the date of the most recent actuarial valuation, the Plan's membership consisted of the following:

Membership	
Retirees, beneficiaries and disabled receiving benefits	108
Terminated plan participants entitled to but not yet receiving benefits	340
Active employees participating in the plan	<u>462</u>
Total	<u><u>910</u></u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The actuarial recommended contribution rate for 2018 was 1.4% of payroll. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. County contributions to the Plan were \$326,092 for the year ended December 31, 2019 and Employee contributions to the Plan were \$949,627.

Net Pension Liability. The County's net pension liability (asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2019

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 9 – PENSION PLANS

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

Inflation	3.00%
Salary increases	1.5% - 3.5% based on age
Investment rate of return	7.00% per year

The mortality table was changed in 2019 from RP-2000 mortality table projected with scale AA to 2018 to the Pub-2010 Amount weighted mortality table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2019. The table was changed to adopt the mortality tables developed specifically for governmental employees by the Society of Actuaries which were released late in 2018. The tables were projected to 2019 to reflect the mortality rates in Georgia are in the highest quartile in the nation.

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

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by 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 are summarized in the following table.

Asset Class	Target Allocation
Fixed Income	30.00%
Large Cap Equities	30.00%
Mid Cap Equities	5.00%
Small Cap Equities	5.00%
REIT Equities	5.00%
International Equities	15.00%
Multi Cap Equities	5.00%
Global Allocation Equities	5.00%
	<u>100.00%</u>

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 9 – PENSION PLANS

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee 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 employee 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 active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset) of the County – The Changes in the components of the net pension liability (asset) of the County for the year ended June 30, 2020, were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2018	<u>\$ 50,287,280</u>	<u>\$ 46,219,992</u>	<u>\$ 4,067,288</u>
Changes for the year:			
Service cost	739,084	-	739,084
Interest	3,456,787	-	3,456,787
Differences between expected and actual experience	2,361,736	-	2,361,736
Assumption change	2,246,912	-	2,246,912
Plan change	11,938,506	-	11,938,506
Contributions - county	-	326,092	(326,092)
Contributions - employees	-	949,627	(949,627)
Net investment income	-	9,762,694	(9,762,694)
Benefit payments	(1,716,699)	(1,716,699)	-
Employee contribution refunds	(92,530)	(92,530)	-
Administrative expense	-	(115,123)	115,123
Other	-	(260,990)	260,990
Net changes	<u>18,933,796</u>	<u>8,853,071</u>	<u>10,080,725</u>
Balances at December 31, 2019	<u><u>\$ 69,221,076</u></u>	<u><u>\$ 55,073,063</u></u>	<u><u>\$ 14,148,013</u></u>

The required schedule of changes in the County's net pension liability (asset) 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 total pension liability.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 9 – PENSION PLANS

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	<u>\$ 23,808,278</u>	<u>\$ 14,148,013</u>	<u>\$ 6,189,338</u>

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 and Deferred Inflows of Resources Related to Pensions
For the year ended June 30, 2020, the County recognized pension expense of \$13,951,673. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,728,961	\$ 733,664
Changes of assumptions	5,092,854	-
Net difference between projected and actual earnings on pension plan investments	-	2,810,861
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Contributions made subsequent to measurement date	161,421	-
	<u>\$ 7,983,236</u>	<u>\$ 3,544,525</u>

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 9 – PENSION PLANS

The County's contributions subsequent to the measurement date of \$161,421 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended June 30:

2021	\$ 1,253,943
2022	1,200,154
2023	1,931,272
2024	(149,940)
2025	41,861
Thereafter	-

Other Defined Benefit Plans

Certain employees, elected officials, and appointed officials are eligible for participation in various multi employer cost-sharing defined benefit plans. The County does not make contributions to the plans, qualifying the plans as special funding situations under the requirements of GASB guidance. Management has determined the related impact on the financial statements to be immaterial. Further information may be obtained from the individual plans, as listed below:

Georgia Firefighters Pension Plan
Georgia Judicial Retirement System
Employees' Retirement System of Georgia
Peace Officers' Annuity and Benefit Fund of Georgia
Sheriff's Retirement System of Georgia
Judges of the Probate Courts Retirement Fund of Georgia
Magistrates' Retirement Fund of Georgia
Superior Court Clerks' Retirement Fund of Georgia

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description. The County provides funding for certain healthcare-related benefits for retired early-out employees under a single-employer defined benefit OPEB plan. The County allows future retirees who have reached the age of 55 and have been employed with the County for 20 consecutive years to participate in the County's plan until the age at which they are eligible for Medicare. Such retirees must pay the full cost of the plan, and no spouses or dependents are allowed coverage on such plan. The County has the authority to establish and amend the plan provisions. Separate financial statements are not prepared for the OPEB plan.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Benefits Provided. Continued healthcare benefits in the form of single coverage will be paid fully by the County. This benefit is limited to a period which is the shorter of (a) ten years or (b) the length of time it takes for the employee to reach the age at which they become eligible for Medicare benefits. For future employees meeting the criteria of age 55 and have been employed by the County for 20 consecutive years have the option to stay on the County's plans, at the retiree's cost, until the attainment of the age at which they become eligible for Medicare.

Employees Covered by Benefit Terms – At June 30, 2020 (the census date), the following employees were covered by the benefit terms:

Active employees	722
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	<u>0</u>
Total	<u><u>730</u></u>

Total OPEB Liability

The County's total OPEB liability of \$633,662 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	1.50%
Salary increases	3.00%, average, including inflation
Discount rate	2.45%
Investment rate of return	7.00% per year
Healthcare cost trend rates	7.00% in the first year, trending down to 4.04% over 55 years. Applies to calendar years.

Mortality rates were based on the RPH-2014 mortality table (headcount weighted), adjusted to 2006, total dataset, fully generational with mortality improvement scale MP-2019.

Discount Rate. The discount rate used to measure the total OPEB liability is 2.45%. The County's OPEB Plan is an unfunded plan, therefore the discount rate was set to the rate of tax-exempt, high-quality 20-year municipal bonds, as of the valuation date.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2019	<u>\$ 702,182</u>
Changes for the year:	
Service cost	32,789
Interest	21,384
Differences between expected and actual experience	(50,926)
Changes of assumptions	31,763
Benefit payments	(43,891)
Implicit subsidy credit	<u>(59,639)</u>
Net changes	<u>(68,520)</u>
Balance at June 30, 2020	<u><u>\$ 633,662</u></u>

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 (1.45 percent) or 1-percentage point higher (3.45 percent) than the current discount rate:

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
Total OPEB liability	<u>\$ 681,612</u>	<u>\$ 633,662</u>	<u>\$ 588,175</u>

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 or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.00%)	Current Trend Rate (7.00%)	1% Increase (8.00%)
Total OPEB liability	<u>\$ 564,730</u>	<u>\$ 633,662</u>	<u>\$ 717,876</u>

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the County recognized OPEB expense of \$54,628. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 50,354
Changes of assumptions	51,944	-
	<u>\$ 51,944</u>	<u>\$ 50,354</u>

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

Year Ended June 30:

2021	\$ 455
2022	455
2023	455
2024	455
2025	455
Thereafter	(685)

NOTE 11 – DEFINED CONTRIBUTION PLAN

In conjunction with the defined benefit plan, the County offers a defined contribution plan administered by Mass Mutual. The 401(a) pension plan is a defined contribution plan that covers substantially all full time County employees. Under the current provisions, the County will match contributions made by an employee to the deferred compensation plan on a 1-for-2 basis up to a maximum contribution by the County of 2.5%. Contributions are calculated and made on a biweekly payroll basis. During the fiscal year, employees contributed \$1,703,486 to the defined contribution plan and the County contributed \$640,186 in matching funds. The Board of Commissioners establishes matching percentages.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 12 – FUND BALANCE

The County's governmental funds show the following fund equity accounts at June 30, 2020:

Fund Balances	General Fund	Fire Services Fund	2017 SPLOST	County-Wide Roads SPLOST	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:						
Advances	\$ 3,453,956	\$ -	\$ -	\$ -	\$ -	\$ 3,453,956
Inventories	126,791	-	-	-	-	126,791
Restricted:						
Animal control	-	-	-	-	6,800	6,800
Capital projects	3,210,932	-	23,786,789	30,650,969	98,264	57,746,954
E-911 communications	-	-	-	-	6,545,065	6,545,065
Court services	-	-	-	-	1,084,952	1,084,952
Law enforcement	-	-	-	-	347,940	347,940
Fire services	-	6,070,516	-	-	-	6,070,516
Emergency medical services	-	-	-	-	2,061,567	2,061,567
Street lights	-	-	-	-	138,755	138,755
Committed:						
Capital projects	-	-	-	-	11,263,718	11,263,718
Stabilization fund	14,061,197	-	-	-	-	14,061,197
Assigned:						
Emergencies	2,000,000	-	-	-	-	2,000,000
Capital projects	6,361,938	-	-	-	-	6,361,938
Other purposes	158,955	-	-	-	-	158,955
Unassigned	2,408,850	-	-	-	-	2,408,850
	<u>\$ 31,782,619</u>	<u>\$ 6,070,516</u>	<u>\$ 23,786,789</u>	<u>\$ 30,650,969</u>	<u>\$ 21,547,061</u>	<u>\$ 113,837,954</u>

With its adoption of a resolution on August 25, 2011, the Board of Commissioners updated its financial policies in regard to reserve funds. One of the new policies called for a Stabilization Fund or working reserve to be established equal to at least three months (i.e., 25%) of the appropriations budget for the Governmental Tax Funds. Per the policy, this amount is to be shown in the committed fund classification of the County's financial statements. The Stabilization Fund is to be created and maintained to provide the fiscal capacity to 1) offset any significant economic downturn and the revision of any general government activity; 2) provide sufficient working capital; and 3) provide a sufficient cash flow for current financial needs without short-term borrowing. To be able to use the funds that are committed for stabilization, the Board of Commissioners must take formal action to release the funds. This type of action will only be taken when failure to take such action would result in a negative position for the unassigned fund balance.

As a second component of the resolution adopted on August 25, 2011, the Board also approved the assignment of \$2 million of fund balance. The assigned fund balance for emergencies is to be used only for natural or man-made disasters. These funds cannot be released without formal action of the Board of Commissioners.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 13 – NET INVESTMENT IN CAPITAL ASSETS

The “*Net investment in capital assets*” reported on the government-wide statement of net position as of June 30, 2020 are as follows:

	Governmental Activities	Business-Type Activities	Total
Cost of capital assets	\$ 503,620,027	\$ 218,955,096	\$ 722,575,123
Less accumulated depreciation	(370,998,917)	(116,272,661)	(487,271,578)
Book value	132,621,110	102,682,435	235,303,545
Deferred charges on bond refunding	1,996,101	991,042	2,987,143
Less Retainage payable	(450,125)	(25,558)	(475,683)
Less capital related debt	(29,721,000)	(31,250,000)	(60,971,000)
Less unamortized bond premiums	-	(1,749,904)	(1,749,904)
Net investment in capital assets	<u>\$ 104,446,086</u>	<u>\$ 70,648,015</u>	<u>\$ 175,094,101</u>

NOTE 14 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2020, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	<u>\$ 227</u>

The outstanding balances between funds result mainly from a time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Advances between the funds represent long-term borrowings between two funds which will be repaid over more than one fiscal year. The advances as of June 30, 2020 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	2017 SPLOST	<u>\$ 3,453,956</u>

The amounts payable to the general fund relate to advances to the 2017 SPLOST Fund to begin work on approved projects in advance of the sales tax proceeds being received. These advances will be repaid as sales tax collections are received over the next several years.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 14 – INTERFUND BALANCES AND TRANSFERS

Interfund transfers for the fiscal year ended June 30, 2020 are shown in the following table:

	Transfers In:					Total
	General Fund	Fire	Non-Major Governmental Funds	Non-Major Proprietary Funds	Internal Service Funds	
Transfers Out:						
General Fund	\$ -	\$ -	\$ 6,184,798	\$ 100,000	\$ 725,000	\$ 7,009,798
Fire Fund	-	-	432,178	-	500,000	932,178
Non-Major Governmental Funds	308,237	105,279	28,000	-	250,000	691,516
Internal Service Funds	-	-	-	-	20,000	20,000
Total	<u>\$ 308,237</u>	<u>\$ 105,279</u>	<u>\$ 6,644,976</u>	<u>\$ 100,000</u>	<u>\$ 1,495,000</u>	<u>\$ 8,653,492</u>

Interfund transfers are made for several reasons during the course of each fiscal year. First, transfers are made to move revenues from the fund with collection authorization to the Capital Projects Funds where the accounting for related construction projects occur. Likewise, transfers are made from the Capital Projects Funds back to the original transferring fund for any monies not spent on the project. Second, transfers are made to move funds to the Vehicle/Equipment Replacement Internal Service Fund for the purchase of vehicles and equipment. And lastly, transfers are made to move unrestricted General Fund revenues to finance various programs that the County must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

NOTE 15 – RISK MANAGEMENT

Fayette County, Georgia is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. Settled claims have not exceeded purchased commercial insurance coverage in any of the past three years.

The County established a limited risk management program for workers' compensation during the 1988 fiscal year. The purpose of the Worker's Compensation Self-Insurance Internal Service Fund is to pay workers' compensation claims from accumulated assets of the fund and minimize the total cost of workers' compensation insurance to the County. Specific and aggregate excess insurance is provided through a private insurance carrier.

The County initiated its Dental Self-Insurance Internal Service Fund in the 1991 fiscal year. The purpose of this fund was to pay claims for employees for certain health care expenses incurred up to a maximum of \$1,000 per covered individual. Claims are handled by a third party administrator as of June 1, 2005.

The County initiated its Vision reimbursement plan in the 1997 fiscal year. Employees are reimbursed up to \$300 per year per covered individual for out of pocket expenses associated with vision care.

Fayette County established its Major Medical Self-Insurance Internal Service Fund in the 1991 fiscal year, and on June 1, 2002 became fully insured. In June of 2010, the County reinstated its self-insurance program for this risk.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 15 – RISK MANAGEMENT

All funds of the County participate in these programs and make payments to these Internal Service Funds based on actuarial estimates of the amounts needed to pay prior and current year claims, claim reserves, and administrative costs of the programs. The total claims liability of \$372,913 reported at June 30, 2020, is based on requirements of Governmental Accounting Standards Board Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which requires that a liability for claims be reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

Liabilities also include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors.

Changes in the balances of claims liabilities during the past two fiscal years for each of the three self-insurance programs and the total amounts are as follows:

	Unpaid Claims At Beginning Of Fiscal Year	Incurred Claims (Including Any IBNRs)	Claim Payments	Unpaid Claims At End Of Fiscal Year
Workers Compensation Claims:				
Fiscal Year Ended June 30, 2020	\$ 8,443	\$ 341,848	\$ (344,915)	\$ 5,376
Fiscal Year Ended June 30, 2019	36,404	846,882	(874,843)	8,443
Dental and Vision Claims				
Fiscal Year Ended June 30, 2020	1,707	505,983	(505,236)	2,454
Fiscal Year Ended June 30, 2019	4,618	544,153	(547,064)	1,707
Major Medical Claims				
Fiscal Year Ended June 30, 2020	675,091	7,928,762	(8,238,770)	365,083
Fiscal Year Ended June 30, 2019	845,030	7,550,394	(7,720,333)	675,091
Total Claims				
Fiscal Year Ended June 30, 2020	685,241	8,776,593	(9,088,921)	372,913
Fiscal Year Ended June 30, 2019	886,052	8,941,429	(9,142,240)	685,241

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 16 – ENCUMBRANCES

The County employs encumbrance accounting for transactions during the fiscal year. Encumbrances are commitments related to unfilled contracts for goods and services including purchase orders. In accordance with the County's financial policies which have been adopted by Board resolution, appropriations lapse at year-end. Any open encumbrances are recorded and those financial commitments are honored in the subsequent fiscal year. The ensuing year's appropriations budget is adjusted by the amount of outstanding encumbrances. Encumbrances outstanding at year end are as follows:

	General Fund	2017 SPLOST Fund	County-Wide Roads SPLOST	Non-major Governmental Funds	Total
Total Encumbrances	\$ 11,859	\$ 1,412,016	\$ 312,959	\$ 2,767,446	\$ 4,504,280

NOTE 17 – CONTINGENCIES

Litigation

The County is a defendant in various litigations. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Grants

The County participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the County's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, will be immaterial.

COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of a corona virus (COVID-19) a pandemic. The recently declared pandemic could adversely impact the County's future financial results, especially if the community is negatively impacted by the decrease in economic activity caused by the virus. Such potential impact is unknow at this time.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2020

NOTE 18 – TAX ABATEMENTS

Pursuant to Governmental Accounting Standards Board (GASB) Statement 77, Tax Abatements, the County is required to disclose certain information about tax abatements as defined in the Statement. For the purposes of GASB Statement No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the County or the citizens of the County. The County has entered into such agreements. The following is a description of the County's abatement program where the County has promised to forgo taxes.

The Fayette County Board of Commissioners authorizes industries which promote the development of trade, commerce, industry and employment opportunities in the County to participate in the Economic Development Program. Abatements of real and personal property taxes are provided to companies based on a criteria calculation which includes targeted industry, capital investment and employment. The abatement may reduce the amount of property taxes paid over ten or twenty years. The agreements may contain clawback provisions which would result in the re-payment of the annual tax abatement for each year the Company fails to meet its jobs/investment commitment. For the fiscal year ended June 30, 2020, the County abated property taxes totaling \$208,140.

NOTE 19 – SUBSEQUENT EVENTS

Subsequent to June 30, 2020, the City received \$2,742,657 of funding as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). These funds are reimbursements for the City's expenditures related to public safety and various items during the COVID-19 pandemic.



REQUIRED SUPPLEMENTARY INFORMATION

Fayette County, Georgia
Required Supplementary Information
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted</u>	<u>Amounts</u>	<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES:				
Taxes	\$ 46,194,150	\$ 46,194,150	\$ 48,147,029	\$ 1,952,879
Licenses and permits	951,100	951,100	750,274	(200,826)
Intergovernmental	1,339,183	1,990,140	1,471,734	(518,406)
Charges for services	3,778,728	3,778,728	3,774,101	(4,627)
Fines and forfeitures	1,753,000	1,753,000	1,170,415	(582,585)
Investment earnings	675,000	675,000	974,005	299,005
Contributions and donations	20,000	40,000	22,883	(17,117)
Miscellaneous revenues	486,125	486,125	120,777	(365,348)
Total revenues	<u>55,197,286</u>	<u>55,868,243</u>	<u>56,431,218</u>	<u>562,975</u>
EXPENDITURES:				
Current:				
General government:				
Commissioners	602,395	606,226	506,267	99,959
Administration	356,022	357,492	356,815	677
Elections	757,110	766,851	672,176	94,675
Finance	1,259,872	1,293,445	1,113,915	179,530
Purchasing	262,638	272,228	220,254	51,974
Law department	268,100	268,100	166,517	101,583
Information systems	1,119,725	1,175,520	1,011,211	164,309
Human resources	528,052	540,349	497,842	42,507
Tax commissioner	1,071,088	1,084,516	1,046,041	38,475
Tax assessor	1,240,910	1,262,935	1,166,317	96,618
Buildings & grounds maintenance	1,625,772	1,837,032	1,802,933	34,099
Engineering office	297,914	306,747	101,946	204,801
Non-departmental/contingency	1,831,391	470,309	449,503	20,806
Total general government	<u>11,220,989</u>	<u>10,241,750</u>	<u>9,111,737</u>	<u>1,130,013</u>
Judicial system:				
Judges, court reporter	588,302	588,302	545,056	43,246
Clerk of superior court	1,701,056	1,732,349	1,644,440	87,909
District attorney	361,773	372,263	339,050	33,213
Clerk of state court	332,342	341,125	337,275	3,850
State court solicitor	762,417	776,735	747,298	29,437
State court judge	455,290	458,037	391,823	66,214
Magistrate court	375,694	387,001	369,154	17,847
Probate court	444,993	451,700	431,575	20,125
Juvenile court	375,246	382,412	354,333	28,079
Public defender	488,335	488,555	488,552	3
Non-departmental	243,054	256,865	256,852	13
Total judicial system	<u>6,128,502</u>	<u>6,235,344</u>	<u>5,905,408</u>	<u>329,936</u>

Continued on next page

Fayette County, Georgia
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Public safety:				
Sheriff's office	19,140,612	20,141,896	19,404,464	737,432
County coroner	149,690	150,753	142,946	7,807
Animal control	485,841	498,051	490,469	7,582
Emergency management	313,818	338,188	338,188	-
Non-departmental	977,428	1,098,603	1,070,747	27,856
Total public safety	<u>21,067,389</u>	<u>22,227,491</u>	<u>21,446,814</u>	<u>780,677</u>
Public works:				
Public works administration	210,746	240,841	232,972	7,869
Road department	5,977,990	5,292,972	4,469,253	823,719
Stormwater management	528,560	527,375	401,661	125,714
Fleet maintenance	662,649	673,459	600,806	72,653
Non-departmental	58,467	58,467	56,384	2,083
Total public works	<u>7,438,412</u>	<u>6,793,114</u>	<u>5,761,076</u>	<u>1,032,038</u>
Health and welfare:				
Physical health	283,898	285,129	285,128	1
Fayette counseling center	135,732	135,732	135,732	-
Family and children services	39,325	39,325	39,325	-
Fayette community options	67,270	67,270	67,270	-
Senior citizens center	368,294	368,294	350,620	17,674
Total health and welfare	<u>894,519</u>	<u>895,750</u>	<u>878,075</u>	<u>17,675</u>
Culture and recreation:				
Recreation	1,432,965	1,519,449	1,310,494	208,955
Library	1,081,990	1,121,451	1,098,496	22,955
Non-departmental	8,070	8,395	8,392	3
Total culture and recreation	<u>2,523,025</u>	<u>2,649,295</u>	<u>2,417,382</u>	<u>231,913</u>
Housing and development:				
County extension	147,883	147,883	127,772	20,111
Georgia forestry commission	3,530	3,530	3,530	-
Permits and inspections	725,895	764,341	668,655	95,686
Planning and zoning	436,485	450,844	445,983	4,861
Development authority	238,250	238,482	238,481	1
Non-departmental	7,624	7,624	7,539	85
Total housing and development	<u>1,559,667</u>	<u>1,612,704</u>	<u>1,491,960</u>	<u>120,744</u>

Continued on Next Page

Fayette County, Georgia
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance With
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Debt service:				
Principal retirement	2,025,000	-	-	-
Interest and fiscal charges	1,235,306	889,000	889,000	-
Issuance costs	-	-	195,000	(195,000)
Total debt service	<u>3,260,306</u>	<u>889,000</u>	<u>1,084,000</u>	<u>(195,000)</u>
Total expenditures	<u>54,092,809</u>	<u>51,544,448</u>	<u>48,096,452</u>	<u>3,447,996</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,104,477</u>	<u>4,323,795</u>	<u>8,334,766</u>	<u>4,010,971</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	90,000	308,237	308,237	-
Transfers out	(3,954,798)	(7,009,798)	(7,009,798)	-
Sale of capital assets	25,000	25,000	3,000	(22,000)
Refunding bonds issued	-	-	29,120,000	29,120,000
Payment to refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>(28,914,275)</u>	<u>(28,914,275)</u>
Total other financing sources (uses)	<u>(3,839,798)</u>	<u>(6,676,561)</u>	<u>(6,492,836)</u>	<u>183,725</u>
Net change in fund balance	<u>\$ (2,735,321)</u>	<u>\$ (2,352,766)</u>	1,841,930	<u>\$ 4,194,696</u>
Fund balance, beginning of year			<u>29,940,689</u>	
Fund balance, end of year			<u>\$ 31,782,619</u>	

Fayette County, Georgia
Required Supplementary Information
Fire Services Tax District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes:				
Property	\$ 8,992,000	\$ 8,992,000	\$ 9,018,961	\$ 26,961
Other	3,354,000	3,354,000	3,366,172	12,172
Intergovernmental	40,000	93,018	38,426	(54,592)
Charges for services	179,000	179,000	138,944	(40,056)
Investment earnings	90,000	90,000	67,043	(22,957)
Contributions and donations	-	-	-	-
Miscellaneous revenues	54,000	54,000	60,185	6,185
Total revenues	12,709,000	12,762,018	12,689,731	(72,287)
EXPENDITURES:				
Current -				
Public safety -				
Fire services	10,417,328	10,553,681	10,267,984	285,697
Total expenditures	10,417,328	10,553,681	10,267,984	285,697
Excess of revenues over expenditures	2,291,672	2,208,337	2,421,747	213,410
OTHER FINANCING SOURCES (USES):				
Transfers in	-	105,279	105,279	-
Transfers out	(932,178)	(932,178)	(932,178)	-
Total other financing sources (uses)	(932,178)	(826,899)	(826,899)	-
Net change in fund balance	\$ 1,359,494	\$ 1,381,438	1,594,848	\$ 213,410
Fund balance, beginning of year			4,475,668	
Fund balance, end of year			\$ 6,070,516	

Fayette County, Georgia
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios
For the Fiscal Year Ended June 30

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	\$ 739,084	\$ 777,317	\$ 839,177	\$ 871,824	\$ 868,884	\$ 921,991
Interest	3,456,787	3,307,295	3,155,970	2,964,403	2,508,554	2,386,445
Differences between expected and actual experience	2,361,736	(640,536)	624,490	(606,858)	1,295,636	--
Changes of assumptions	2,246,912	2,024,365	94,874	1,485,913	2,754,753	--
Plan changes	11,938,506	--	--	--	--	--
Benefit payments	(1,809,229)	(1,598,046)	(1,828,243)	(1,420,095)	(1,279,559)	(1,040,539)
Net change in total pension liability	18,933,796	3,870,395	2,886,268	3,295,187	6,148,268	2,267,897
Total pension liability-beginning	50,287,280	46,416,885	43,530,617	40,235,430	34,087,162	31,819,265
Total pension liability-ending (a)	\$ 69,221,076	\$ 50,287,280	\$ 46,416,885	\$ 43,530,617	\$ 40,235,430	\$ 34,087,162
Plan fiduciary net position						
Contributions-employer	\$ 326,092	\$ 324,169	\$ 329,454	\$ 337,608	\$ 350,141	\$ 183,425
Contributions-employee	949,627	623,403	633,566	649,252	673,346	2,530,040
Net investment income	9,762,694	(2,288,418)	7,009,364	3,025,678	341,826	2,872,411
Benefit payments	(1,716,699)	(1,598,046)	(1,343,302)	(1,420,095)	(1,140,530)	(1,002,929)
Employee contribution refunds	(92,530)	--	(420,986)	--	(139,029)	(214,263)
Administrative expense	(115,123)	(104,069)	(105,683)	(109,805)	(112,787)	(114,168)
Other	(260,990)	(223,992)	(271,560)	(211,152)	(195,463)	(197,640)
Net change in plan fiduciary net position	8,853,071	(3,266,953)	5,830,853	2,271,486	(222,496)	4,056,876
Plan fiduciary net position-beginning	46,219,992	49,486,945	43,656,092	41,384,606	41,607,102	37,550,226
Plan fiduciary net position-ending (b)	\$ 55,073,063	\$ 46,219,992	\$ 49,486,945	\$ 43,656,092	\$ 41,384,606	\$ 41,607,102
County's net pension liability (assets) - ending (a) - (b)	\$ 14,148,013	\$ 4,067,288	\$ (3,070,060)	\$ (125,475)	\$ (1,149,176)	\$ (7,519,940)
Plan fiduciary net position as a percentage of the total pension liability (asset)	79.56%	91.91%	106.61%	100.29%	102.86%	122.06%
Covered payroll	\$ 23,802,502	\$ 24,102,816	\$ 25,875,481	\$ 25,785,049	\$ 26,898,226	\$ 29,389,328
County's net pension liability (asset) as a percentage of covered payroll	59.44%	16.87%	-11.86%	-0.49%	-4.27%	-25.59%

Notes to the Schedule:

This schedule will present 10 years of information once its accumulated.

Fayette County, Georgia
Required Supplementary Information
Schedule of County Contributions
For the Fiscal Year Ended June 30

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 687,379	\$ 333,375	\$ 516,742	\$ 341,514	\$ 20,994	\$ 170,313
Contributions in relation to the actuarially determined contribution	<u>326,092</u>	<u>324,169</u>	<u>325,419</u>	<u>345,723</u>	<u>350,141</u>	<u>183,425</u>
Contribution deficiency (excess)	<u>\$ 361,287</u>	<u>\$ 9,206</u>	<u>\$ 191,323</u>	<u>\$ (4,209)</u>	<u>\$ (329,147)</u>	<u>\$ (13,112)</u>
Covered payroll	\$ 23,697,945	\$ 23,802,502	\$ 24,102,816	\$ 25,875,481	\$ 25,785,049	\$ 26,898,226
Contributions as a percentage of covered payroll	1.38%	1.36%	1.35%	1.34%	1.36%	0.68%

Notes to the Schedule:

This schedule will present 10 years of information once its accumulated.

Fayette County, Georgia
Required Supplementary Information
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30

	2020	2019	2018
Total OPEB liability			
Service cost	\$ 32,789	\$ 29,445	\$ 28,587
Interest	21,384	25,024	27,521
Differences between expected and actual experience	(50,926)	(5,492)	--
Changes of assumptions	31,763	27,810	--
Benefit payments	(43,891)	(51,286)	(69,692)
Implicit rate subsidy fulfilled	(59,639)	(68,988)	(66,655)
Net change in total OPEB liability	(68,520)	(43,487)	(80,239)
Total OPEB liability - beginning	702,182	745,669	825,908
Total OPEB liability - ending	<u>\$ 633,662</u>	<u>\$ 702,182</u>	<u>\$ 745,669</u>
 Covered payroll	 \$ 36,932,220	 \$ 33,153,291	 \$ 32,596,600
 Total OPEB liability as a percentage of covered payroll	 1.72%	 2.12%	 2.29%

Notes to the Schedule:

This schedule will present 10 years of information once its accumulated.



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Fayette County, Georgia
Non-Major Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The County has the following six Non-Major Special Revenue Funds.

Emergency 911 Services Fund – This fund is used to account for taxes collected from a separate tax levy and user fees generated from telephone customers that are restricted to the operation of a call center to handle the communications between citizens and public safety providers.

Street Lights Fund - This fund is used to account for a separate tax levy that is restricted to the provision of street lighting services for subscribing property owners for this service.

Emergency Medical Services (EMS) Tax District Fund – This fund is used to account for those expenditures incurred to provide emergency medical services to those citizens and businesses in the County not being served by the Peachtree City Emergency Medical Services Department. A portion of the revenues used to fund this public safety activity are derived from a separate tax levy on those property owners located in the EMS Special Tax District. Ambulance transport fees are also a dedicated source of revenue for the provision of this service.

Confiscated Assets Fund – This fund is used to account for cash received from the confiscation of assets of individuals convicted of drug offenses which is restricted to law enforcement purposes.

Fine Surcharges Fund – This fund is used to account for the collection of fine surcharges which are restricted as to use for specific court or law enforcement related programs.

Animal Control Sterilization – This fund is used to account for revenues and expenditures related to spaying and neutering animals at the County's Animal Control Shelter.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds. The County has the following two NonMajor Capital Projects Funds.

Unincorporated County Roads SPLOST Fund – This fund is used to account for the construction of specific road and road improvements that were approved by the voters in a special referendum. Funding for these projects came from a Special Purpose Local Option Sales Tax (SPLOST) levied for this purpose.

General Capital Projects Fund – This fund is used to account for miscellaneous projects that are approved as part of the Capital Improvement Program. Funding for these projects typically comes from transfers of monies from the tax supported funds.

Fayette County, Georgia
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
ASSETS:			
Cash and cash equivalents	\$ 9,466,643	\$ 12,028,755	\$ 21,495,398
Receivables (net of allowances for uncollectibles)	1,049,631	319	1,049,950
Total assets	<u>\$ 10,516,274</u>	<u>\$ 12,029,074</u>	<u>\$ 22,545,348</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES:			
Liabilities:			
Accounts payable	\$ 172,979	\$ 667,092	\$ 840,071
Salary and benefits payable	123,114	-	123,114
Due to other funds	227	-	227
Total liabilities	<u>296,320</u>	<u>667,092</u>	<u>963,412</u>
Deferred inflows of resources - Unavailable revenue	<u>34,875</u>	<u>-</u>	<u>34,875</u>
Fund balances:			
Restricted for:			
Special programs:			
Animal control	6,800	-	6,800
Capital projects	-	98,264	98,264
E-911 communications	6,545,065	-	6,545,065
Court services	1,084,952	-	1,084,952
Law enforcement	347,940	-	347,940
Emergency medical services	2,061,567	-	2,061,567
Street lights	138,755	-	138,755
Committed for -			
Capital projects	-	11,263,718	11,263,718
Total fund balances	<u>10,185,079</u>	<u>11,361,982</u>	<u>21,547,061</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,516,274</u>	<u>\$ 12,029,074</u>	<u>\$ 22,545,348</u>

Fayette County, Georgia
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2020

	Emergency 911	Street Lights	Emergency Medical Services	Confiscated Assets	Fine Surcharges	Animal Control Sterilization	Totals
ASSETS:							
Cash and cash equivalents	\$ 6,152,648	\$ 136,871	\$ 1,730,998	\$ 387,531	\$ 1,051,795	\$ 6,800	\$ 9,466,643
Receivables, net	514,350	4,092	436,283	-	94,906	-	1,049,631
 Total assets	<u>\$ 6,666,998</u>	<u>\$ 140,963</u>	<u>\$ 2,167,281</u>	<u>\$ 387,531</u>	<u>\$ 1,146,701</u>	<u>\$ 6,800</u>	<u>\$ 10,516,274</u>
 LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES:							
Liabilities:							
Accounts payable	\$ 58,384	\$ 200	\$ 21,619	\$ 40,817	\$ 51,959	\$ -	\$ 172,979
Salary and benefits payable	51,542	-	63,235	-	8,337	-	123,114
Due to other funds	-	-	-	227	-	-	227
 Total liabilities	<u>109,926</u>	<u>200</u>	<u>84,854</u>	<u>41,044</u>	<u>60,296</u>	<u>-</u>	<u>296,320</u>
 Deferred inflows of resources - Unearned revenue	<u>12,007</u>	<u>2,008</u>	<u>20,860</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,875</u>
 Fund balances:							
Restricted for:							
Special programs:							
E-911 communications	6,545,065	-	-	-	-	-	6,545,065
Court services	-	-	-	-	1,084,952	-	1,084,952
Law enforcement	-	-	-	346,487	1,453	-	347,940
Animal control	-	-	-	-	-	6,800	6,800
Emergency medical services	-	-	2,061,567	-	-	-	2,061,567
Street lights	-	138,755	-	-	-	-	138,755
 Total fund balances	<u>6,545,065</u>	<u>138,755</u>	<u>2,061,567</u>	<u>346,487</u>	<u>1,086,405</u>	<u>6,800</u>	<u>10,185,079</u>
 Total liabilities, deferred inflow of resources and fund balances	<u>\$ 6,666,998</u>	<u>\$ 140,963</u>	<u>\$ 2,167,281</u>	<u>\$ 387,531</u>	<u>\$ 1,146,701</u>	<u>\$ 6,800</u>	<u>\$ 10,516,274</u>

Fayette County, Georgia
Combining Balance Sheet
Non-Major Capital Projects Funds
June 30, 2020

	Unincorporated County Roads SPLOST	General Capital Projects	Total
ASSETS:			
Cash and cash equivalents	\$ 98,264	\$ 11,930,491	\$ 12,028,755
Receivables (net of allowances for uncollectibles)	-	319	319
Total assets	<u>\$ 98,264</u>	<u>\$ 11,930,810</u>	<u>\$ 12,029,074</u>
LIABILITIES AND FUND BALANCES:			
Liabilities -			
Accounts payable	<u>\$ -</u>	<u>\$ 667,092</u>	<u>\$ 667,092</u>
Fund balances:			
Restricted for -			
Capital projects	98,264	-	98,264
Committed to -			
Capital projects	<u>-</u>	<u>11,263,718</u>	<u>11,263,718</u>
Total fund balances	<u>98,264</u>	<u>11,263,718</u>	<u>11,361,982</u>
Total liabilities and fund balances	<u>\$ 98,264</u>	<u>\$ 11,930,810</u>	<u>\$ 12,029,074</u>

Fayette County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
REVENUES:			
Taxes:			
Property	\$ 3,538,987	\$ -	\$ 3,538,987
Other	5,424	-	5,424
Intergovernmental	789,550	68,675	858,225
Charges for services	5,026,517	-	5,026,517
Fines and forfeitures	836,808	-	836,808
Investment earnings	31,083	102,650	133,733
Contributions and donations	75	6,000	6,075
Miscellaneous	32,945	-	32,945
Total revenues	<u>10,261,389</u>	<u>177,325</u>	<u>10,438,714</u>
EXPENDITURES:			
Current:			
Judicial system	1,111,585	-	1,111,585
Public safety	7,271,303	-	7,271,303
Public works	336,501	-	336,501
Capital outlay	-	3,127,515	3,127,515
Total expenditures	<u>8,719,389</u>	<u>3,127,515</u>	<u>11,846,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,542,000</u>	<u>(2,950,190)</u>	<u>(1,408,190)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	25,000	6,619,976	6,644,976
Transfers out	<u>(368,000)</u>	<u>(323,516)</u>	<u>(691,516)</u>
Total other financing sources (uses)	<u>(343,000)</u>	<u>6,296,460</u>	<u>5,953,460</u>
Net change in fund balance	1,199,000	3,346,270	4,545,270
Fund balance, beginning of year	<u>8,986,079</u>	<u>8,015,712</u>	<u>17,001,791</u>
Fund balance, end of year	<u><u>\$ 10,185,079</u></u>	<u><u>\$ 11,361,982</u></u>	<u><u>\$ 21,547,061</u></u>

Fayette County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2020

	Emergency 911	Street Lights	Emergency Medical Services	Confiscated Assets	Fine Surcharges	Animal Control Sterilization	Total
REVENUES:							
Taxes:							
Property	\$ 1,353,978	\$ 393,571	\$ 1,791,438	\$ -	\$ -	\$ -	\$ 3,538,987
Other	2,471	-	2,953	-	-	-	5,424
Intergovernmental	-	-	66,377	-	723,173	-	789,550
Charges for services	3,005,194	-	2,006,793	-	-	14,530	5,026,517
Fines and forfeitures	-	-	-	276,419	560,389	-	836,808
Investment earnings	23,118	-	3,951	4,014	-	-	31,083
Contributions and donations	-	-	-	-	75	-	75
Miscellaneous		18,097	150	14,698		-	32,945
Total revenues	<u>4,384,761</u>	<u>411,668</u>	<u>3,871,662</u>	<u>295,131</u>	<u>1,283,637</u>	<u>14,530</u>	<u>10,261,389</u>
EXPENDITURES:							
Current:							
Judicial system	-	-	-	-	1,111,585	-	1,111,585
Public safety	3,072,973	-	3,239,080	606,969	340,786	11,495	7,271,303
Public works	-	336,501	-	-	-	-	336,501
Total expenditures	<u>3,072,973</u>	<u>336,501</u>	<u>3,239,080</u>	<u>606,969</u>	<u>1,452,371</u>	<u>11,495</u>	<u>8,719,389</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,311,788</u>	<u>75,167</u>	<u>632,582</u>	<u>(311,838)</u>	<u>(168,734)</u>	<u>3,035</u>	<u>1,542,000</u>
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	-	-	25,000	-	25,000
Transfers out	-	(90,000)	(278,000)	-	-	-	(368,000)
Total other financing sources (uses)	<u>-</u>	<u>(90,000)</u>	<u>(278,000)</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>(343,000)</u>
Net change in fund balance	1,311,788	(14,833)	354,582	(311,838)	(143,734)	3,035	1,199,000
Fund balance, beginning of year	<u>5,233,277</u>	<u>153,588</u>	<u>1,706,985</u>	<u>658,325</u>	<u>1,230,139</u>	<u>3,765</u>	<u>8,986,079</u>
Fund balance, end of year	<u>\$ 6,545,065</u>	<u>\$ 138,755</u>	<u>\$ 2,061,567</u>	<u>\$ 346,487</u>	<u>\$ 1,086,405</u>	<u>\$ 6,800</u>	<u>\$ 10,185,079</u>

Fayette County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Fiscal Year Ended June 30, 2020

	Unincorporated County Roads SPLOST	General Capital Projects	Totals
REVENUES:			
Intergovernmental	\$ -	\$ 68,675	\$ 68,675
Investment earnings	-	102,650	102,650
Contributions and donations	-	6,000	6,000
Total revenues	-	177,325	177,325
EXPENDITURES:			
Capital outlay	-	3,127,515	3,127,515
Total expenditures	-	3,127,515	3,127,515
Excess (deficiency) of revenues over (under) expenditures	-	(2,950,190)	(2,950,190)
OTHER FINANCING SOURCES (USES):			
Transfers in	-	6,619,976	6,619,976
Transfers out	-	(323,516)	(323,516)
Total other financing sources (uses)	-	6,296,460	6,296,460
Net change in fund balance	-	3,346,270	3,346,270
Fund balance, beginning of year	98,264	7,917,448	8,015,712
Fund balance, end of year	\$ 98,264	\$ 11,263,718	\$ 11,361,982

Fayette County, Georgia
Emergency 911 Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes:				
Property	\$ 1,357,800	\$ 1,357,800	\$ 1,353,978	\$ (3,822)
Other	2,350	2,350	2,471	121
Intergovernmental	-	-	-	-
Charges for services	2,940,000	2,940,000	3,005,194	65,194
Investment earnings	25,000	25,000	23,118	(1,882)
Total revenues	<u>4,325,150</u>	<u>4,325,150</u>	<u>4,384,761</u>	<u>59,611</u>
EXPENDITURES:				
Current -				
Public safety -				
Emergency 911	<u>3,696,220</u>	<u>3,699,787</u>	<u>3,072,973</u>	<u>626,814</u>
Total expenditures	<u>3,696,220</u>	<u>3,699,787</u>	<u>3,072,973</u>	<u>626,814</u>
Net change in fund balance	<u>\$ 628,930</u>	<u>\$ 625,363</u>	1,311,788	<u>\$ 686,425</u>
Fund balance, beginning of year			<u>5,233,277</u>	
Fund balance, end of year			<u>\$ 6,545,065</u>	

Fayette County, Georgia
Street Lights Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes -				
Property	\$ 400,000	\$ 400,000	\$ 393,571	\$ (6,429)
Miscellaneous	5,000	5,284	18,097	12,813
Total revenue	405,000	405,284	411,668	6,384
EXPENDITURES:				
Current -				
Public works -				
Street lights	336,216	336,500	336,501	(1)
Total expenditures	336,216	336,500	336,501	(1)
Excess of revenues over expenditures	68,784	68,784	75,167	6,383
OTHER FINANCING SOURCES:				
Transfers out	(90,000)	(90,000)	(90,000)	-
Net change in fund balance	<u>\$ (21,216)</u>	<u>\$ (21,216)</u>	(14,833)	<u>\$ 6,383</u>
Fund balance, beginning of year			<u>153,588</u>	
Fund balance, end of year			<u>\$ 138,755</u>	

Fayette County, Georgia
Emergency Medical Services (EMS) Tax District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted</u>	<u>Amounts</u>	<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES:				
Taxes:				
Property	\$ 1,774,700	\$ 1,774,700	\$ 1,791,438	\$ 16,738
Other	2,000	2,000	2,953	953
Intergovernmental	-	350,948	66,377	(284,571)
Charges for services	1,820,000	1,820,000	2,006,793	186,793
Investment earnings	4,500	4,500	3,951	(549)
Miscellaneous	-	-	150	150
	<u>3,601,200</u>	<u>3,952,148</u>	<u>3,871,662</u>	<u>(80,486)</u>
Total revenues				
EXPENDITURES:				
Current -				
Public safety -				
Emergency medical services	3,258,872	3,269,581	3,239,080	30,501
	<u>3,258,872</u>	<u>3,269,581</u>	<u>3,239,080</u>	<u>30,501</u>
Total expenditures				
Excess of revenues over expenditures	<u>342,328</u>	<u>682,567</u>	<u>632,582</u>	<u>(49,985)</u>
OTHER FINANCING SOURCES:				
Transfers out	(278,000)	(278,000)	(278,000)	-
Net change in fund balance	<u>\$ 64,328</u>	<u>\$ 404,567</u>	354,582	<u>\$ (49,985)</u>
Fund balance, beginning of year			<u>1,706,985</u>	
Fund balance, end of year			<u>\$ 2,061,567</u>	

Fayette County, Georgia
Confiscated Assets Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Fines and forfeitures:				
U. S. Customs	\$ -	\$ 132,087	\$ 132,088	\$ 1
Federal	-	141,437	141,438	1
State	-	2,893	2,893	-
Investment earnings	-	4,011	4,014	3
Miscellaneous	-	14,698	14,698	-
Total revenues	-	295,126	295,131	5
EXPENDITURES:				
Current -				
Public safety -				
Sheriff's office:				
U. S. Customs	-	94,319	94,317	2
Federal	-	467,132	467,129	3
State	-	45,525	45,523	2
Total expenditures	-	606,976	606,969	7
Net change in fund balance	\$ -	\$ (311,850)	(311,838)	\$ 12
Fund balance, beginning of year			658,325	
Fund balance, end of year			\$ 346,487	

Fayette County, Georgia
Fine Surcharges Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental:				
Jail surcharge	\$ 234,000	\$ 234,000	\$ 163,294	\$ (70,706)
Victims' assistance surcharge	92,174	92,174	60,289	(31,885)
Drug court grant	359,274	373,130	373,130	-
DUI court grant	131,632	159,486	126,460	(33,026)
Fines and forfeitures:				
Jail surcharge	150,000	150,000	113,879	(36,121)
Victims' assistance surcharge	62,000	62,000	54,097	(7,903)
Drug abuse education surcharge	298,880	298,880	217,106	(81,774)
DUI court surcharge	155,000	155,000	121,127	(33,873)
Juvenile court supervision surcharge	9,000	9,000	6,642	(2,358)
Law library surcharge	60,000	60,000	47,538	(12,462)
Contributions and donations	-	-	75	75
Total revenues	<u>1,551,960</u>	<u>1,593,670</u>	<u>1,283,637</u>	<u>(310,033)</u>
EXPENDITURES:				
Current:				
Judicial system:				
Victims' assistance	154,174	154,174	154,175	(1)
Drug abuse education	666,854	680,710	590,829	89,881
DUI court	450,189	450,189	307,512	142,677
Juvenile court supervision	24,919	24,919	3,712	21,207
Law library	60,000	60,000	55,357	4,643
Public safety -				
Prisoner meals	384,000	384,000	340,786	43,214
Total expenditures	<u>1,740,136</u>	<u>1,753,992</u>	<u>1,452,371</u>	<u>301,621</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(188,176)</u>	<u>(160,322)</u>	<u>(168,734)</u>	<u>(8,412)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	25,000	25,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (188,176)</u>	<u>\$ (135,322)</u>	<u>(143,734)</u>	<u>\$ (8,412)</u>
Fund balance, beginning of year			<u>1,230,139</u>	
Fund balance, end of year			<u>\$ 1,086,405</u>	

Fayette County, Georgia
Animal Control Sterilization Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 17,000	\$ 17,000	\$ 14,530	\$ (2,470)
EXPENDITURES:				
Current -				
Public safety -				
Emergency medical services	17,000	17,000	11,495	5,505
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	3,035	<u>\$ 3,035</u>
Fund balance, beginning of year			<u>3,765</u>	
Fund balance, end of year			<u>\$ 6,800</u>	

Fayette County, Georgia
County-Wide Roads SPLOST Capital Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2020

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Taxes -				
Special purpose local option sales tax (SPLOST)	\$ 68,367,060	\$ -	\$ 68,367,060	\$ 81,100,087
Intergovernmental -				
Grants	1,480,980	-	1,480,980	-
Investment earnings	5,909,970	506,686	6,416,656	-
Miscellaneous	-	15,509	15,509	-
Total revenues	<u>75,758,010</u>	<u>522,195</u>	<u>76,280,205</u>	<u>81,100,087</u>
EXPENDITURES:				
Capital outlay -				
Streets and bridges	37,090,179	970,048	38,060,227	73,325,743
Intergovernmental -				
City of Fayetteville	7,774,106	-	7,774,106	7,774,344
Total expenditures	<u>44,864,285</u>	<u>970,048</u>	<u>45,834,333</u>	<u>81,100,087</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,893,725</u>	<u>(447,853)</u>	<u>30,445,872</u>	<u>-</u>
OTHER FINANCING SOURCES:				
Transfers in	205,000	-	205,000	-
Proceeds from the sale of capital assets	97	-	97	-
Total other financing sources	<u>205,097</u>	<u>-</u>	<u>205,097</u>	<u>-</u>
Net change in fund balance	<u>\$ 31,098,822</u>	<u>(447,853)</u>	<u>\$ 30,650,969</u>	<u>\$ -</u>
Fund balance, beginning of year, as restated		<u>31,098,822</u>		
Fund balance, end of year		<u>\$ 30,650,969</u>		

Fayette County, Georgia
Unincorporated County Roads SPLOST Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2020

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Taxes -				
Special purpose local option sales tax (SPLOST)	\$ 29,341,602	\$ -	\$ 29,341,602	\$ 34,757,180
Intergovernmental:				
Clayton County	65,959	-	65,959	-
City of Peachtree City	63,263	-	63,263	-
Investment earnings	477,409	-	477,409	-
Total revenues	<u>29,948,233</u>	<u>-</u>	<u>29,948,233</u>	<u>34,757,180</u>
EXPENDITURES:				
Capital outlay -				
Streets and bridges	14,693,369	-	14,693,369	16,780,767
Intergovernmental:				
Town of Brooks	178,617	-	178,617	212,019
City of Fayetteville	3,581,084	-	3,581,084	4,247,327
City of Peachtree City	10,139,606	-	10,139,606	12,025,984
Town of Tyrone	1,257,293	-	1,257,293	1,491,083
Total expenditures	<u>29,849,969</u>	<u>-</u>	<u>29,849,969</u>	<u>34,757,180</u>
Net change in fund balance	<u>\$ 98,264</u>	-	<u>\$ 98,264</u>	<u>\$ -</u>
Fund balance, beginning of year		<u>98,264</u>		
Fund balance, end of year		<u>\$ 98,264</u>		

Fayette County, Georgia
2017 SPLOST Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2020

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Taxes -				
Special purpose local option sales tax (SPLOST)	\$ 51,793,562	\$ 26,692,022	\$ 78,485,584	\$ 141,014,157
Intergovernmental -				
Grants	972,205	829,222	1,801,427	-
Investment earnings	418,837	324,602	743,439	-
Miscellaneous	765	-	765	-
Total revenues	<u>53,185,369</u>	<u>27,845,846</u>	<u>81,031,215</u>	<u>141,014,157</u>
EXPENDITURES:				
Capital outlay -				
Stormwater projects	6,089,019	3,001,157	9,090,176	23,741,641
Transportation projects	1,712,025	1,311,819	3,023,844	19,520,353
Public safety emergency services	2,292,413	1,529,722	3,822,135	18,211,536
Fire and emergency services	1,552,985	1,474,072	3,027,057	2,950,000
Intergovernmental:				
Town of Brooks	232,513	133,975	366,488	693,791
City of Fayetteville	7,070,832	4,074,244	11,145,076	21,098,538
City of Peachtree City	15,239,480	8,781,056	24,020,536	45,472,835
Town of Tyrone	3,050,542	1,757,736	4,808,278	9,102,463
Town of Woolsey	223,000	-	223,000	223,000
Total expenditures	<u>37,462,809</u>	<u>22,063,781</u>	<u>59,526,590</u>	<u>141,014,157</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,722,560</u>	<u>5,782,065</u>	<u>21,504,625</u>	<u>-</u>
OTHER FINANCING SOURCES:				
Transfers in	<u>2,282,164</u>	<u>-</u>	<u>2,282,164</u>	<u>-</u>
Total other financing sources	<u>2,282,164</u>	<u>-</u>	<u>2,282,164</u>	<u>-</u>
Net change in fund balance	<u>\$ 18,004,724</u>	<u>5,782,065</u>	<u>\$ 23,786,789</u>	<u>\$ -</u>
Fund balance, beginning of year		<u>18,004,724</u>		
Fund balance, end of year		<u>\$ 23,786,789</u>		



INTERNAL SERVICE FUNDS

Fayette County, Georgia
Internal Service Funds

Internal Service Funds are used to account for certain risk financing activities, and the financing of goods or services provided by one department or agency to other departments or agencies on a cost reimbursement basis. The County has the following four Internal Service Funds.

Workers' Compensation Self-Insurance Fund – This fund is used to account for the financing of the risk that an employee will be injured or have health issues in the course of performing their duties at work. Individual departments and funds are assessed a charge by the fund based on the actual cost of workers' compensation claims. These assessments are used to pay workers' compensation claims and associated administrative expenses that arise during the period.

Dental and Vision Self-Insurance Fund - This fund is used to account for the risk that an employee (and their covered dependents) will require preventative or curative professional services for their teeth or eyes during the year. Each department and its employees (depending upon their particular coverage) are assessed a charge which represents a pro rata share of the cost for dental and vision coverage. These assessments are used to reimburse the employee for their dental and vision claims up to the maximum allowed annual benefit.

Major Medical Self-Insurance Fund - This fund is used to account for the risk that an employee (and their covered dependents) will require preventative or curative professional services for the maintenance of their health during the year. Each department and its employees (depending upon their particular coverage) are assessed a charge which represents a pro rata share of the cost for medical coverage. These assessments are used to pay health claims and the associated administrative expenses. This fund also pays for the Employee Assistance Program (EAP) and other health related costs such as flu shots.

Vehicle Replacement Fund – This fund was established to provide resources for the County to replace the vehicles and certain equipment of its Governmental Funds. The annual charge to the various funds is based on the replacement schedule of its fleet.

Fayette County, Georgia
Combining Statement of Net Position
Internal Service Funds
June 30, 2020

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
ASSETS					
Current assets:					
Unrestricted cash	\$ 400,638	\$ 17,116	\$ 243,799	\$ 1,412,380	\$ 2,073,933
Restricted cash	-	-	-	861,057	861,057
Cash with fiscal agent	-	-	181,508	-	181,508
Accounts receivable	-	39,274	1,123,483	-	1,162,757
Prepaid items	100,329	-	-	-	100,329
Total current assets	500,967	56,390	1,548,790	2,273,437	4,379,584
Noncurrent assets -					
Capital assets -					
Depreciable, net	-	-	-	8,436,139	8,436,139
Total assets	500,967	56,390	1,548,790	10,709,576	12,815,723
LIABILITIES					
Current liabilities:					
Claims payable	5,376	2,454	365,083	-	372,913
Total current liabilities	5,376	2,454	365,083	-	372,913
Noncurrent liabilities -					
Certificates of participation	-	-	-	601,000	601,000
Total noncurrent liabilities	-	-	-	601,000	601,000
Total liabilities	5,376	2,454	365,083	601,000	973,913
NET POSITION					
Net investment in capital assets	-	-	-	7,835,139	7,835,139
Unrestricted	495,591	53,936	1,183,707	2,273,437	4,006,671
Total net position	\$ 495,591	\$ 53,936	\$ 1,183,707	\$ 10,108,576	\$ 11,841,810

Fayette County, Georgia
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
Operating Revenues:					
Charges for sales and services	\$ 550,000	\$ 518,155	\$ 8,690,756	\$ -	\$ 9,758,911
Total operating revenues	550,000	518,155	8,690,756	-	9,758,911
Operating Expenses:					
Costs of sales and services	341,848	505,984	7,928,762	-	8,776,594
Administration	15,000	-	568,524	-	583,524
Depreciation	-	-	-	1,372,460	1,372,460
Total operating expenses	356,848	505,984	8,497,286	1,372,460	10,732,578
Operating income (loss)	193,152	12,171	193,470	(1,372,460)	(973,667)
Nonoperating Revenues (Expenses):					
Interest income	-	-	-	56,126	56,126
Interest expense	-	-	-	(10,607)	(10,607)
Gain on disposal of capital assets	-	-	-	69,665	69,665
Total nonoperating revenues (expenses)	-	-	-	115,184	115,184
Income (loss) before contributions and transfers	193,152	12,171	193,470	(1,257,276)	(858,483)
Other Financing Sources (Uses)					
Capital contributions	-	-	-	169,335	169,335
Transfers in	-	20,000	-	1,475,000	1,495,000
Transfers out	-	-	(20,000)	-	(20,000)
Total other financing sources (uses)	-	20,000	(20,000)	1,644,335	1,644,335
Change in net position	193,152	32,171	173,470	387,059	785,852
Total net position - beginning	302,439	21,765	1,010,237	9,721,517	11,055,958
Total net position - ending	\$ 495,591	\$ 53,936	\$ 1,183,707	\$ 10,108,576	\$ 11,841,810

Fayette County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$ -	\$ 133,711	\$ 1,613,972	\$ -	\$ 1,747,683
Receipts from interfund services provided	550,000	345,259	6,947,970	-	7,843,229
Payments to suppliers	(460,244)	(505,237)	(8,807,294)	-	(9,772,775)
Net cash provided (used) by operating activities	89,756	(26,267)	(245,352)	-	(181,863)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	20,000	-	1,475,000	1,495,000
Transfers out	-	-	(20,000)	-	(20,000)
Net cash provided (used) by noncapital financing activities	-	20,000	(20,000)	1,475,000	1,475,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Interest paid on certificates of participation	-	-	-	(10,607)	(10,607)
Purchase of capital assets	-	-	-	(1,692,337)	(1,692,337)
Proceeds from sale of capital assets	-	-	-	96,309	96,309
Net cash used by capital and related financing activities	-	-	-	(1,606,635)	(1,606,635)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	-	-	-	56,126	56,126
Net cash provided by investing activities	-	-	-	56,126	56,126
Net increase (decrease) in cash and cash equivalents	89,756	(6,267)	(265,352)	(75,509)	(257,372)
Cash and cash equivalents at beginning of year	310,882	23,383	690,659	2,348,946	3,373,870
Cash and cash equivalents at end of year	<u>\$ 400,638</u>	<u>\$ 17,116</u>	<u>\$ 425,307</u>	<u>\$ 2,273,437</u>	<u>\$ 3,116,498</u>

Fayette County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	<u>Workers'</u> <u>Compensation</u>	<u>Dental</u> <u>And Vision</u>	<u>Major</u> <u>Medical</u>		
Reconciliation of Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:					
Operating income (loss)	\$ 193,152	\$ 12,171	\$ 193,470	\$ (1,372,460)	\$ (973,667)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	-	-	-	1,372,460	1,372,460
Decrease (increase) in assets:					
Accounts receivable	-	(39,185)	(128,814)	-	(167,999)
Prepaid items	(100,329)	-	-	-	(100,329)
Increase (decrease) in liabilities:					
Accounts payable	-	-	-	-	-
Claims payable	(3,067)	747	(310,008)	-	(312,328)
Total adjustments	(103,396)	(38,438)	(438,822)	1,372,460	791,804
Net cash provided (used) by operating activities	<u>\$ 89,756</u>	<u>\$ (26,267)</u>	<u>\$ (245,352)</u>	<u>\$ -</u>	<u>\$ (181,863)</u>
Schedule of non-cash capital and related financing activities:					
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,335</u>	<u>\$ 169,335</u>



FIDUCIARY FUNDS

Fayette County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2020

	Balance Beginning Of Year	Additions	Deductions	Balance End Of Year
TAX COMMISSIONER				
Assets:				
Cash and cash equivalents	\$ 2,336,539	\$ 229,292,336	\$ (228,826,143)	\$ 2,802,732
Taxes receivable	2,695,851	173,246,427	(172,485,657)	3,456,621
Total assets	<u>\$ 5,032,390</u>	<u>\$ 402,538,763</u>	<u>\$ (401,311,800)</u>	<u>\$ 6,259,353</u>
Liabilities:				
Due to others	\$ 5,032,390	\$ 402,538,763	\$ (401,311,800)	\$ 6,259,353
Total liabilities	<u>\$ 5,032,390</u>	<u>\$ 402,538,763</u>	<u>\$ (401,311,800)</u>	<u>\$ 6,259,353</u>
SHERIFF'S OFFICE				
Assets -				
Cash and cash equivalents	<u>\$ 257,823</u>	<u>\$ 647,331</u>	<u>\$ (642,595)</u>	<u>\$ 262,559</u>
Liabilities -				
Due to others	<u>\$ 257,823</u>	<u>\$ 647,331</u>	<u>\$ (642,595)</u>	<u>\$ 262,559</u>
SUPERIOR COURT				
Assets -				
Cash and cash equivalents	<u>\$ 1,975,579</u>	<u>\$ 7,863,702</u>	<u>\$ (8,475,841)</u>	<u>\$ 1,363,440</u>
Liabilities -				
Due to others	<u>\$ 1,975,579</u>	<u>\$ 7,863,702</u>	<u>\$ (8,475,841)</u>	<u>\$ 1,363,440</u>
STATE COURT				
Assets -				
Cash and cash equivalents	<u>\$ 549,076</u>	<u>\$ 1,745,636</u>	<u>\$ (1,769,022)</u>	<u>\$ 525,690</u>
Liabilities -				
Due to others	<u>\$ 549,076</u>	<u>\$ 1,745,636</u>	<u>\$ (1,769,022)</u>	<u>\$ 525,690</u>
MAGISTRATE COURT				
Assets -				
Cash and cash equivalents	<u>\$ 133,153</u>	<u>\$ 390,596</u>	<u>\$ (420,895)</u>	<u>\$ 102,854</u>
Liabilities -				
Due to others	<u>\$ 133,153</u>	<u>\$ 390,596</u>	<u>\$ (420,895)</u>	<u>\$ 102,854</u>

Fayette County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2020

	<u>Balance Beginning Of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End Of Year</u>
JUVENILE COURT				
Assets -				
Cash and cash equivalents	\$ 7,324	\$ 48,752	\$ (53,077)	\$ 2,999
Liabilities -				
Due to others	\$ 7,324	\$ 48,752	\$ (53,077)	\$ 2,999
PROBATE COURT				
Assets -				
Cash and cash equivalents	\$ 40,714	\$ 617,823	\$ (589,709)	\$ 68,828
Liabilities -				
Due to others	\$ 40,714	\$ 617,823	\$ (589,709)	\$ 68,828
GRIFFIN JUDICIAL CIRCUIT				
Assets -				
Cash and cash equivalents	\$ 195,495	\$ 1,191,739	\$ (1,131,757)	\$ 255,477
Liabilities -				
Due to others	\$ 195,495	\$ 1,191,739	\$ (1,131,757)	\$ 255,477
TOTAL - ALL AGENCY FUNDS				
Assets:				
Cash and cash equivalents	\$ 5,495,703	\$ 241,797,915	\$ (241,909,039)	\$ 5,384,579
Taxes receivable	2,695,851	173,246,427	(172,485,657)	3,456,621
Total assets	\$ 8,191,554	\$ 415,044,342	\$ (414,394,696)	\$ 8,841,200
Liabilities:				
Due to others	\$ 8,191,554	\$ 415,044,342	\$ (414,394,696)	\$ 8,841,200
Total liabilities	\$ 8,191,554	\$ 415,044,342	\$ (414,394,696)	\$ 8,841,200

Fayette County, Georgia
Schedule of Projects Funded Through Special Purpose Local Option Sales Tax (SPLOST)
Road, Street and Bridge Purposes
For the Fiscal Year Ended June 30, 2020

On November 2, 2004, a referendum was passed by the Fayette County voters to impose a one-percent Special Purpose Local Option Sales Tax (SPLOST) to be used solely for the funding of road, street and bridge improvements in Fayette County. As part of the referendum process, a list of the proposed projects and their estimated cost was provided.

The tax, which had a maximum collection period of five-years, began on April 1, 2005 and continued through March 31, 2010. The tax revenues generated from the SPLOST were divided into two pools of money with each component comprising a separate Capital Projects Fund for the County. The County-Wide Roads SPLOST Capital Projects Fund received 70-percent of the proceeds with those funds earmarked for projects that represented improvements that would address transportation needs from a broader or county-wide perspective. A good example would be the Fayetteville By-Pass road projects.

The Unincorporated County Roads SPLOST Capital Projects Fund received 30-percent of the revenues generated from the SPLOST. The purpose of this component was to address more localized transportation needs. Under this part of the program, the County identified specific projects located in the unincorporated portion of the County and four of the municipalities (i.e., Brooks, Fayetteville, Peachtree City and Tyrone) identified projects that addressed specific needs within their respective jurisdictions. As funds were received from the Georgia Department of Revenue, a pro rata portion of the monies was distributed to each of the municipalities based on the population numbers from the 2000 census. This distribution is shown as an "Intergovernmental" Expenditure on the County's accounting records for its governmental fund types.

Roughly 48.28% of this component of the SPLOST revenues were retained in this Capital Projects Fund and are programmed to be spent on road projects in the unincorporated portion of the County. The municipalities that received the SPLOST distributions from the County are responsible for the accounting and required financial reporting associated with those monies.

Fayette County, Georgia
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds
2004 SPLOST - Road, Street and Bridge Purposes
For the Fiscal Year Ended June 30, 2020

MUNICIPALITIES AND UNINCORPORATED COUNTY PROJECTS - BY JURISDICTION (30% of total tax proceeds)	Original Cost Estimate	Revised Cost Estimate	Prior Years' Expenditures	Current Year's Expenditures	Total Amount Expended
Unincorporated county projects:					
Intersections	\$ 2,450,000	\$ 2,450,000	\$ 2,275,252	\$ -	\$ 2,275,252
Roadways	14,330,767	14,330,767	12,418,117	-	12,418,117
Total unincorporated county projects	16,780,767	16,780,767	14,693,369	-	14,693,369
Proceeds distributed to municipalities					
For projects:					
Town of Brooks	212,019	212,019	178,617	-	178,617
City of Fayetteville	4,247,327	4,247,327	3,581,084	-	3,581,084
City of Peachtree City	12,025,984	12,025,984	10,139,606	-	10,139,606
Town of Tyrone	1,491,083	1,491,083	1,257,293	-	1,257,293
Total proceeds distributed to municipalities for projects	17,976,413	17,976,413	15,156,600	-	15,156,600
Total municipalities and unincorporated county projects - by jurisdiction	<u>\$ 34,757,180</u>	<u>\$ 34,757,180</u>	<u>\$ 29,849,969</u>	<u>\$ -</u>	<u>\$ 29,849,969</u>
COUNTY-WIDE PROJECTS (70% of total tax proceeds)					
Bridges	\$ 3,670,000	\$ 3,670,000	\$ 7,056,873	\$ 45,600	\$ 7,102,473
Intersections	3,657,400	3,657,400	1,543,456	-	1,543,456
Roadways	60,201,443	60,201,443	27,716,600	924,448	28,641,048
Streetscapes / paths	5,796,900	5,796,900	773,297	-	773,297
Total county-wide projects	73,325,743	73,325,743	37,090,226	970,048	38,060,274
Proceeds distributed to municipalities for projects -					
City of Fayetteville	7,774,344	7,774,344	7,774,060	-	7,774,060
Total municipalities and county-wide county projects - by jurisdiction	<u>\$ 81,100,087</u>	<u>\$ 81,100,087</u>	<u>\$ 44,864,286</u>	<u>\$ 970,048</u>	<u>\$ 45,834,334</u>

Fayette County, Georgia
Schedule of Projects Funded Through Special Purpose Local Option Sales Tax (2017 SPLOST)
Stormwater, Transportation, and Public Safety Purposes
For the Fiscal Year Ended June 30, 2020

On March 21, 2017, a referendum was passed by the Fayette County voters to impose a one-percent Special Purpose Local Option Sales Tax (2017 SPLOST) to be used for the funding of Stormwater improvements, transportation projects, updated Public Safety radio system, and construction of a new Fire Station #4 within Fayette County. As part of the referendum process, a list of the proposed projects and their estimated cost was provided.

The tax, which has a maximum collection period of six-years, begins on July 1, 2017 and will continue through June 30, 2023. The tax revenues generated from the SPLOST will be divided on a pre-approved percentage basis between the City of Fayetteville, City of Peachtree City, Town of Tyrone, Town of Brooks, and Fayette County. A list of projects was provided by each entity, identified above, including the Town of Woolsey, and the percentage of tax revenue generated from the additional 1 percent SPLOST will be disbursed to those entities upon receipt of the revenues from the State of Georgia. This distribution will be shown as an "Intergovernmental" Expenditure on the County's accounting records for its governmental fund types. The Town of Woolsey's project funding was included in Fayette County's percentage allocation and will be disbursed upon the first receipt of tax revenues on August 31, 2017.

The revenues generated from the 1 percent 2017 SPLOST are estimated at \$141M, over the six-year period. Fayette County's percentage is 45.84% of the 1 percent SPLOST collections. This is anticipated to total approximately \$64.4M over the six-year collection period, or \$10.7M per year. Fayette County has developed a schedule of the anticipated funding, as well as timing of the various Stormwater, Transportation, and Public Safety based projects to make the most efficient use of the upcoming funding and to allocate the funding towards the high priority projects first.

Of Fayette County's estimated \$64.4M in 1 percent SPLOST tax revenues, the expected expenditures are identified below:

Stormwater projects	\$23.7M
Transportation projects	\$19.5M
Public Safety Radio System	\$18.2M
Fire and Emergency Services	\$ 3.0M

Fayette County, Georgia
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds
2017 SPLOST - Stormwater, Transportation and Public Safety Purpose
For the Fiscal Year Ended June 30, 2020

PROJECTS	Original Cost Estimate	Revised Cost Estimate	Prior Years' Expenditures	Current Year's Expenditures	Total Amount Expended
Unincorporated county projects:					
Stormwater	\$ 23,741,641	\$ 24,273,363	\$ 6,089,019	\$ 3,001,157	\$ 9,090,176
Transportation	19,520,353	19,520,353	1,712,025	1,311,819	3,023,844
Public safety emergency services	18,211,536	18,211,536	2,292,413	1,529,722	3,822,135
Fire and emergency services	2,950,000	2,950,000	1,552,985	1,474,072	3,027,057
Total unincorporated county projects	<u>64,423,530</u>	<u>64,955,252</u>	<u>11,646,442</u>	<u>7,316,770</u>	<u>18,963,212</u>
Proceeds distributed to municipalities for projects:					
Town of Brooks	693,791	693,791	232,513	133,975	366,488
City of Fayetteville	21,098,538	21,098,538	7,070,832	4,074,244	11,145,076
City of Peachtree City	45,472,835	45,472,835	15,239,480	8,781,056	24,020,536
Town of Tyrone	9,102,463	9,102,463	3,050,542	1,757,736	4,808,278
Town of Woolsey	223,000	223,000	223,000	-	223,000
Total proceeds distributed to municipalities for projects	<u>76,590,627</u>	<u>76,590,627</u>	<u>25,816,367</u>	<u>14,747,011</u>	<u>40,563,378</u>
Total municipalities and unincorporated county projects - by jurisdiction	<u>\$ 141,014,157</u>	<u>\$ 141,545,879</u>	<u>\$ 37,462,809</u>	<u>\$ 22,063,781</u>	<u>\$ 59,526,590</u>



STATISTICAL SECTION

Fayette County, Georgia
Statistical Section

This part of the County's Comprehensive Annual Financial Report presents additional 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.

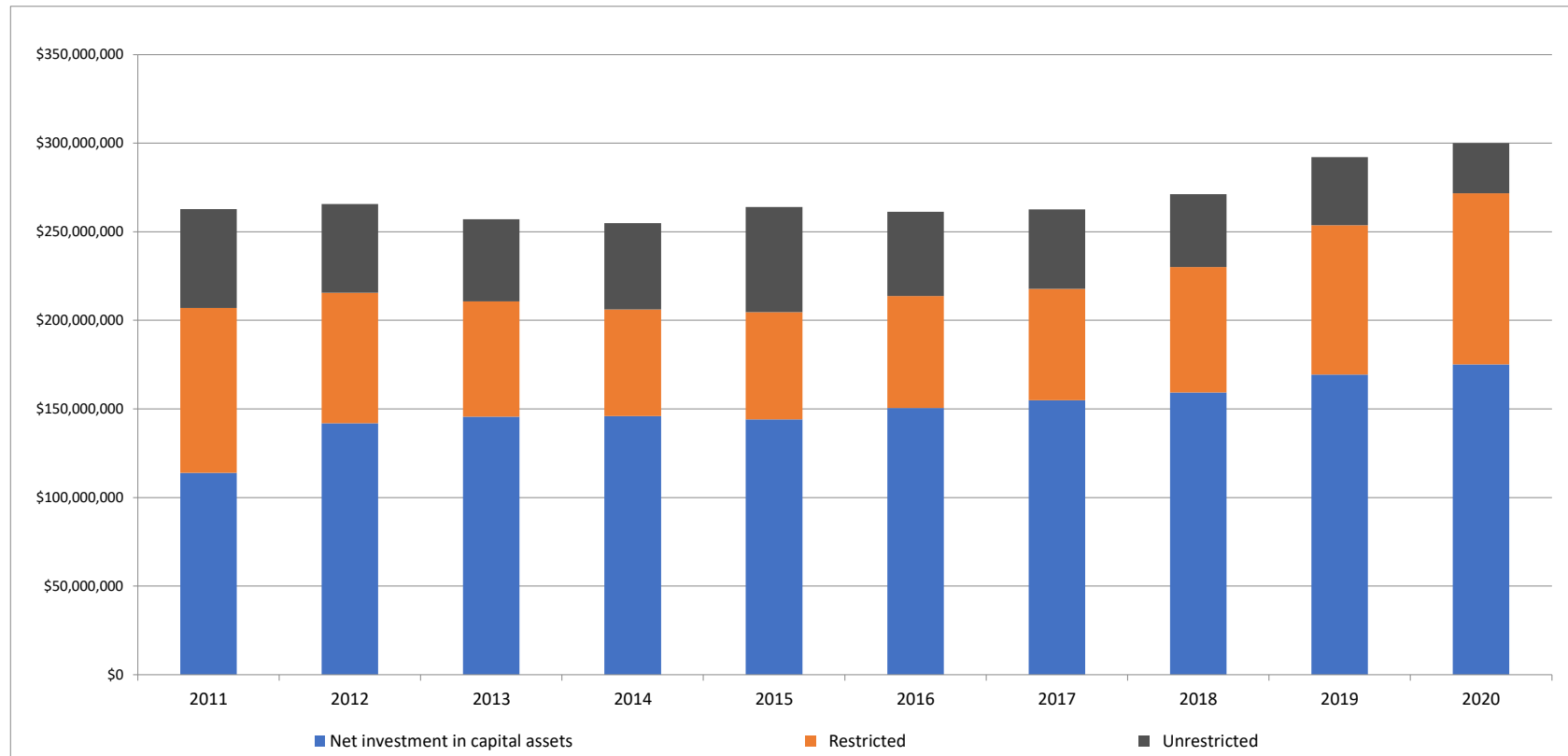
Section Contents	Page
<i>Financial Trends:</i>	124
These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.	
<i>Revenue Capacity:</i>	130
These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax. The data gives insight into those factors that could affect the Government's ability to collect this revenue source going forward.	
<i>Debt Capacity:</i>	134
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.	
<i>Demographic and Economic Information:</i>	138
These schedules offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the County's financial activities take place and help to make comparisons over time and with other entities.	
<i>Operating Information:</i>	140
These schedules offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the County's financial activities take place and help to make comparisons over time and with other entities.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Fayette County, Georgia
Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net investment in capital assets	\$ 70,008,446	\$ 80,352,869	\$ 82,924,362	\$ 84,415,940	\$ 87,415,034	\$ 86,967,976	\$ 86,761,468	\$ 91,754,046	\$ 100,663,452	\$ 104,446,086
Restricted	78,946,616	59,847,388	50,612,241	45,851,519	45,158,983	45,019,968	44,299,115	51,497,841	63,202,729	74,002,549
Unrestricted	34,001,574	46,009,682	43,150,112	43,438,857	48,960,932	45,247,698	43,589,241	42,812,506	41,379,727	33,182,022
Total Governmental Activities Net Position	\$ 182,956,636	\$ 186,209,939	\$ 176,686,715	\$ 173,706,316	\$ 181,534,949	\$ 177,235,642	\$ 174,649,824	\$ 186,064,393	\$ 205,245,908	\$ 211,630,657
Business-Type Activities										
Net investment in capital assets	\$ 43,836,827	\$ 61,628,316	\$ 62,729,861	\$ 61,521,377	\$ 56,683,378	\$ 63,456,395	\$ 68,084,150	\$ 67,569,842	\$ 68,697,953	\$ 70,648,015
Restricted	14,127,960	13,655,049	14,380,299	14,375,769	15,410,942	18,295,821	18,532,120	19,173,457	21,021,770	22,548,415
Unrestricted	21,845,727	4,165,159	3,248,845	5,178,022	10,285,800	2,260,384	1,236,940	(1,646,015)	(2,848,092)	(4,857,792)
Total Business-Type Activities Net Position	\$ 79,810,514	\$ 79,448,524	\$ 80,359,005	\$ 81,075,168	\$ 82,380,120	\$ 84,012,600	\$ 87,853,210	\$ 85,097,284	\$ 86,871,631	\$ 88,338,638
Primary Government										
Net investment in capital assets	\$ 113,845,273	\$ 141,981,185	\$ 145,654,223	\$ 145,937,317	\$ 144,098,412	\$ 150,424,371	\$ 154,845,618	\$ 159,323,888	\$ 169,361,405	\$ 175,094,101
Restricted	93,074,576	73,502,437	64,992,540	60,227,288	60,569,925	63,315,789	62,831,235	70,671,298	84,224,499	96,550,964
Unrestricted	55,847,301	50,174,841	46,398,957	48,616,879	59,246,732	47,508,082	44,826,181	41,166,491	38,531,635	28,324,230
Total Primary Government Net Position	\$ 262,767,150	\$ 265,658,463	\$ 257,045,720	\$ 254,781,484	\$ 263,915,069	\$ 261,248,242	\$ 262,503,034	\$ 271,161,677	\$ 292,117,539	\$ 299,969,295

Total Primary Government Net Position



Fayette County, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental Activities:										
General Government	\$ 13,911,254	\$ 13,747,299	\$ 8,231,193	\$ 8,840,389	\$ 8,185,246	\$ 9,414,258	\$ 8,729,365	\$ 9,492,940	\$ 9,945,149	\$ 11,786,284
Judicial System	5,150,662	5,570,703	6,530,318	5,974,701	6,230,201	6,895,680	6,864,937	7,249,775	7,459,103	8,948,462
Public Safety	34,914,150	35,486,701	36,652,065	35,118,613	33,212,515	35,986,411	37,771,204	38,921,791	39,066,557	49,081,833
Public Works	10,040,669	5,109,741	10,336,908	7,921,320	9,515,157	10,140,891	14,141,638	23,756,478	23,533,884	25,838,947
Health and Welfare	761,169	765,345	759,250	826,969	824,642	787,302	800,988	850,264	854,317	878,699
Culture and Recreation	2,511,883	2,563,090	2,578,096	3,119,068	2,430,447	2,559,163	2,789,813	2,765,542	2,700,241	3,115,950
Housing and Development	1,277,307	1,408,138	1,259,508	1,223,384	1,009,389	1,341,840	1,256,249	1,360,513	1,476,980	1,773,191
Interest on Long-Term Debt	2,182,282	2,102,925	1,791,865	1,709,636	1,648,588	1,574,938	1,537,558	1,487,876	1,429,586	1,049,895
Total Governmental Activities Expenses	<u>\$ 70,749,376</u>	<u>\$ 66,753,942</u>	<u>\$ 68,139,203</u>	<u>\$ 64,734,080</u>	<u>\$ 63,056,185</u>	<u>\$ 68,700,483</u>	<u>\$ 73,891,752</u>	<u>\$ 85,885,179</u>	<u>\$ 86,465,817</u>	<u>\$ 102,473,261</u>
Business-Type Activities										
Water System	\$ 13,336,098	\$ 14,432,774	\$ 13,856,941	\$ 14,604,741	\$ 15,501,745	\$ 15,620,548	\$ 15,880,990	\$ 17,987,474	\$ 15,906,962	\$ 17,654,078
Solid Waste	163,806	333,225	249,551	348,225	336,787	208,054	157,533	243,983	320,925	271,934
Stormwater Utility	-	187,116	393,644	89,659	59,945	72,446	57,654	285,093	-	-
Total Business-Type Activities	<u>\$ 13,499,904</u>	<u>\$ 14,953,115</u>	<u>\$ 14,500,136</u>	<u>\$ 15,042,625</u>	<u>\$ 15,898,477</u>	<u>\$ 15,901,048</u>	<u>\$ 16,096,177</u>	<u>\$ 18,516,550</u>	<u>\$ 16,227,887</u>	<u>\$ 17,926,012</u>
Total Primary Government Expenses	<u>\$ 84,249,280</u>	<u>\$ 81,707,057</u>	<u>\$ 82,639,339</u>	<u>\$ 79,776,705</u>	<u>\$ 78,954,662</u>	<u>\$ 84,601,531</u>	<u>\$ 89,987,929</u>	<u>\$ 104,401,729</u>	<u>\$ 102,693,704</u>	<u>\$ 120,399,273</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	\$ 4,185,268	\$ 423,656	\$ 1,382,169	\$ 2,833,621	\$ 1,554,865	\$ 1,700,227	\$ 1,704,005	\$ 1,794,713	\$ 1,785,934	\$ 2,358,919
Judicial System	2,695,620	2,442,258	1,090,187	1,241,212	1,305,216	2,716,600	3,297,954	3,199,299	2,910,885	2,648,854
Public Safety	6,693,329	4,642,449	6,372,134	6,514,688	6,977,036	5,297,148	5,456,020	5,505,914	5,843,502	5,854,443
Public Works	7,175	7,576	-	1,245	7,927	4,759	5,378	7,093	6,130	7,410
Health and Welfare	-	-	-	-	-	283,493	74,826	69,029	80,281	54,097
Culture and Recreation	278,526	240,857	57,774	55,422	237,655	286,240	274,789	299,717	295,113	200,749
Housing and Development	210,985	196,713	9,250	8,022	980,493	998,045	966,040	953,394	784,272	738,352
Operating Grants and Contributions	27,767	947,402	287,451	486,585	453,506	943,367	952,997	1,068,044	974,425	1,171,491
Capital Grants and Contributions	204,367	598,070	1,181,470	1,951,495	1,995,322	1,489,132	2,269,409	2,112,443	3,650,391	3,215,349
Total Governmental Activities Program Revenues	<u>\$ 14,303,037</u>	<u>\$ 9,498,981</u>	<u>\$ 10,380,435</u>	<u>\$ 13,092,290</u>	<u>\$ 13,512,020</u>	<u>\$ 13,719,011</u>	<u>\$ 15,001,418</u>	<u>\$ 15,009,646</u>	<u>\$ 16,330,933</u>	<u>\$ 16,249,664</u>
Business-Type Activities:										
Charges for Services:										
Water System	\$ 14,289,067	\$ 14,570,866	\$ 13,989,889	\$ 13,675,296	\$ 15,271,737	\$ 15,846,990	\$ 16,962,742	\$ 15,931,846	\$ 16,115,719	\$ 17,379,103
Solid Waste	140,382	132,095	115,337	80,878	66,733	70,010	73,977	71,877	76,498	80,614
Stormwater Utility	-	300,333	148,431	759,663	607,427	614,053	681,199	-	-	-
Capital Grants and Contributions	379,232	116,920	332,659	776,055	167,928	1,656,881	3,521,882	1,242,681	1,369,102	1,607,295
Total Business-Type Activities Program Revenues	<u>\$ 14,808,681</u>	<u>\$ 15,120,214</u>	<u>\$ 14,586,316</u>	<u>\$ 15,291,892</u>	<u>\$ 16,113,825</u>	<u>\$ 18,187,934</u>	<u>\$ 21,239,800</u>	<u>\$ 17,246,404</u>	<u>\$ 17,561,319</u>	<u>\$ 19,067,012</u>
Total Primary Government Program Revenues	<u>\$ 29,111,718</u>	<u>\$ 24,619,195</u>	<u>\$ 24,966,751</u>	<u>\$ 28,384,182</u>	<u>\$ 29,625,845</u>	<u>\$ 31,906,945</u>	<u>\$ 36,241,218</u>	<u>\$ 32,256,050</u>	<u>\$ 33,892,252</u>	<u>\$ 35,316,676</u>
Net (Expenses) Revenues										
Governmental Activities	\$ (56,446,339)	\$ (57,254,961)	\$ (57,758,768)	\$ (51,641,790)	\$ (49,544,165)	\$ (54,981,472)	\$ (58,890,334)	\$ (70,875,533)	\$ (70,134,884)	\$ (86,223,597)
Business-Type Activities	1,308,777	167,099	86,180	249,267	215,348	2,286,886	5,143,623	(1,270,146)	1,333,432	1,141,000
Total Primary Government Net Expenses	<u>\$ (55,137,562)</u>	<u>\$ (57,087,862)</u>	<u>\$ (57,672,588)</u>	<u>\$ (51,392,523)</u>	<u>\$ (49,328,817)</u>	<u>\$ (52,694,586)</u>	<u>\$ (53,746,711)</u>	<u>\$ (72,145,679)</u>	<u>\$ (68,801,452)</u>	<u>\$ (85,082,597)</u>

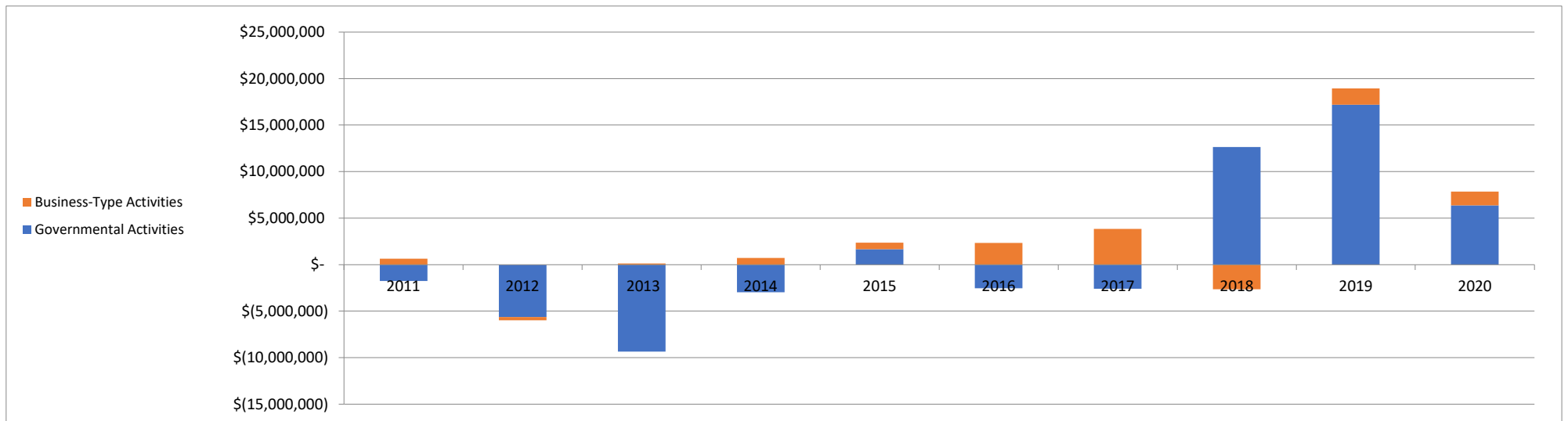
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Fayette County, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 37,981,404	\$ 36,089,255	\$ 34,853,932	\$ 34,950,569	\$ 36,291,270	\$ 37,572,313	\$ 38,526,458	\$ 39,824,105	\$ 41,980,635	\$ 46,930,412
Sales Taxes	9,572,548	10,011,105	9,968,049	9,998,908	10,455,973	10,830,858	11,882,013	37,756,182	39,645,008	40,127,654
Other Taxes	1,311,971	3,247,599	3,205,096	3,228,724	3,333,818	3,337,009	3,461,582	3,728,125	3,874,719	4,131,492
Special Purpose Local Option Sales Taxes	160,567	-	-	-	-	-	-	-	-	-
Intergovernmental	1,580,095	-	-	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	16,329	-	-	-	310,723	-	504,464	29,057	-	62,939
Unrestricted Investment Earnings	391,771	905,075	97,882	442,146	313,394	452,737	241,921	351,280	1,368,932	1,230,907
Miscellaneous	2,975,137	834,182	287,887	337,545	845,587	287,798	293,109	290,604	447,105	224,942
Transfers	706,057	539,650	-	(296,501)	(347,083)	(41,428)	1,394,969	1,540,034	-	(100,000)
Total Governmental Activities	\$ 54,695,879	\$ 51,626,866	\$ 48,412,846	\$ 48,661,391	\$ 51,203,682	\$ 52,439,287	\$ 56,304,516	\$ 83,519,387	\$ 87,316,399	\$ 92,608,346
Business-Type Activities:										
Gain on Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,425)	\$ 32,010	\$ (10,058)	\$ 5,065	\$ -
Unrestricted Investment Earnings	5,552	10,561	15,089	10,489	13,551	19,120	59,946	172,097	327,590	226,007
Miscellaneous	43,536	-	20,868	159,906	129,511	-	-	-	108,260	-
Transfers	(706,057)	(539,650)	-	296,501	347,083	41,428	(1,394,969)	(1,540,034)	-	100,000
Total Business-Type Activities	\$ (656,969)	\$ (529,089)	\$ 35,957	\$ 466,896	\$ 490,145	\$ 59,123	\$ (1,303,013)	\$ (1,377,995)	\$ 440,915	\$ 326,007
Total Primary Government	\$ 54,038,910	\$ 51,097,777	\$ 48,448,803	\$ 49,128,287	\$ 51,693,827	\$ 52,498,410	\$ 55,001,503	\$ 82,141,392	\$ 87,757,314	\$ 92,934,353
Changes in Net Position										
Governmental Activities	\$ (1,750,460)	\$ (5,628,095)	\$ (9,345,922)	\$ (2,980,399)	\$ 1,659,517	\$ (2,542,185)	\$ (2,585,818)	\$ 12,643,854	\$ 17,181,515	\$ 6,384,749
Business-Type Activities	651,808	(361,990)	122,137	716,163	705,493	2,346,009	3,840,610	(2,648,141)	1,774,347	1,467,007
Total Primary Government	\$ (1,098,652)	\$ (5,990,085)	\$ (9,223,785)	\$ (2,264,236)	\$ 2,365,010	\$ (196,176)	\$ 1,254,792	\$ 9,995,713	\$ 18,955,862	\$ 7,851,756
	(1)	(1)	(1)	(1)						

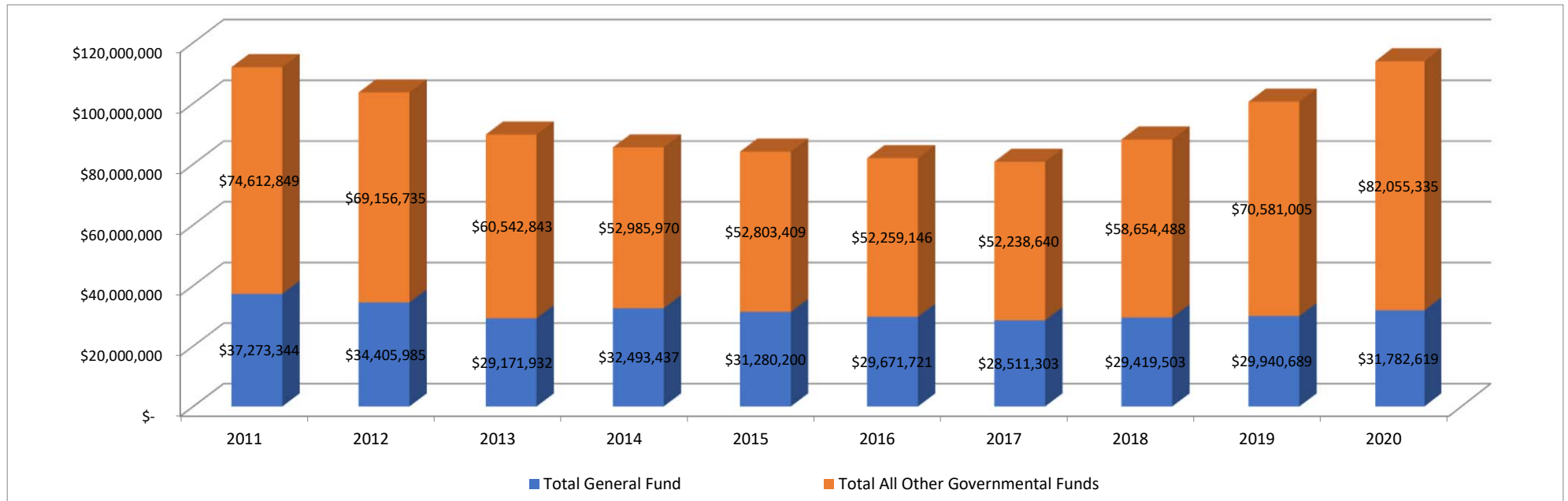
Note (1): The amount of the Change in Net Position for these fiscal years was impacted by the recession that began in 2008.

Changes in Net Position for Each Fiscal Year by Activity Type



Fayette County, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund:										
Nonspendable	\$ 260,351	\$ 246,522	\$ 148,647	\$ 202,728	\$ 132,671	\$ 4,810,543	\$ 4,040,465	\$ 3,801,491	\$ 3,545,743	\$ 3,580,747
Restricted	-	-	-	-	-	328,032	244,762	332,647	539,172	3,210,932
Committed	13,633,544	11,300,171	10,971,735	10,786,253	12,527,406	12,020,533	12,308,266	12,849,272	13,727,248	14,061,197
Assigned	11,175,508	16,817,110	11,158,549	12,806,455	13,433,650	7,983,573	6,699,767	8,421,779	8,181,465	8,520,893
Unassigned	12,203,941	6,042,182	6,893,001	8,698,001	5,186,473	4,529,040	5,218,043	4,014,314	3,947,061	2,408,850
Total General Fund	<u>\$ 37,273,344</u>	<u>\$ 34,405,985</u>	<u>\$ 29,171,932</u>	<u>\$ 32,493,437</u>	<u>\$ 31,280,200</u>	<u>\$ 29,671,721</u>	<u>\$ 28,511,303</u>	<u>\$ 29,419,503</u>	<u>\$ 29,940,689</u>	<u>\$ 31,782,619</u>
All Other Governmental Funds:										
Nonspendable	\$ 33,326	\$ 27,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	65,576,980	59,062,139	49,590,241	44,524,334	43,845,386	44,691,936	44,054,353	51,167,823	62,663,557	70,791,617
Committed	9,002,543	10,066,728	10,952,602	8,461,636	8,958,023	7,567,210	8,184,287	7,486,665	7,917,448	11,263,718
Assigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 74,612,849</u>	<u>\$ 69,156,735</u>	<u>\$ 60,542,843</u>	<u>\$ 52,985,970</u>	<u>\$ 52,803,409</u>	<u>\$ 52,259,146</u>	<u>\$ 52,238,640</u>	<u>\$ 58,654,488</u>	<u>\$ 70,581,005</u>	<u>\$ 82,055,335</u>
Total Governmental Funds	<u>\$ 111,886,193</u>	<u>\$ 103,562,720</u>	<u>\$ 89,714,775</u>	<u>\$ 85,479,407</u>	<u>\$ 84,083,609</u>	<u>\$ 81,930,867</u>	<u>\$ 80,749,943</u>	<u>\$ 88,073,991</u>	<u>\$ 100,521,694</u>	<u>\$ 113,837,954</u>



Fayette County, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

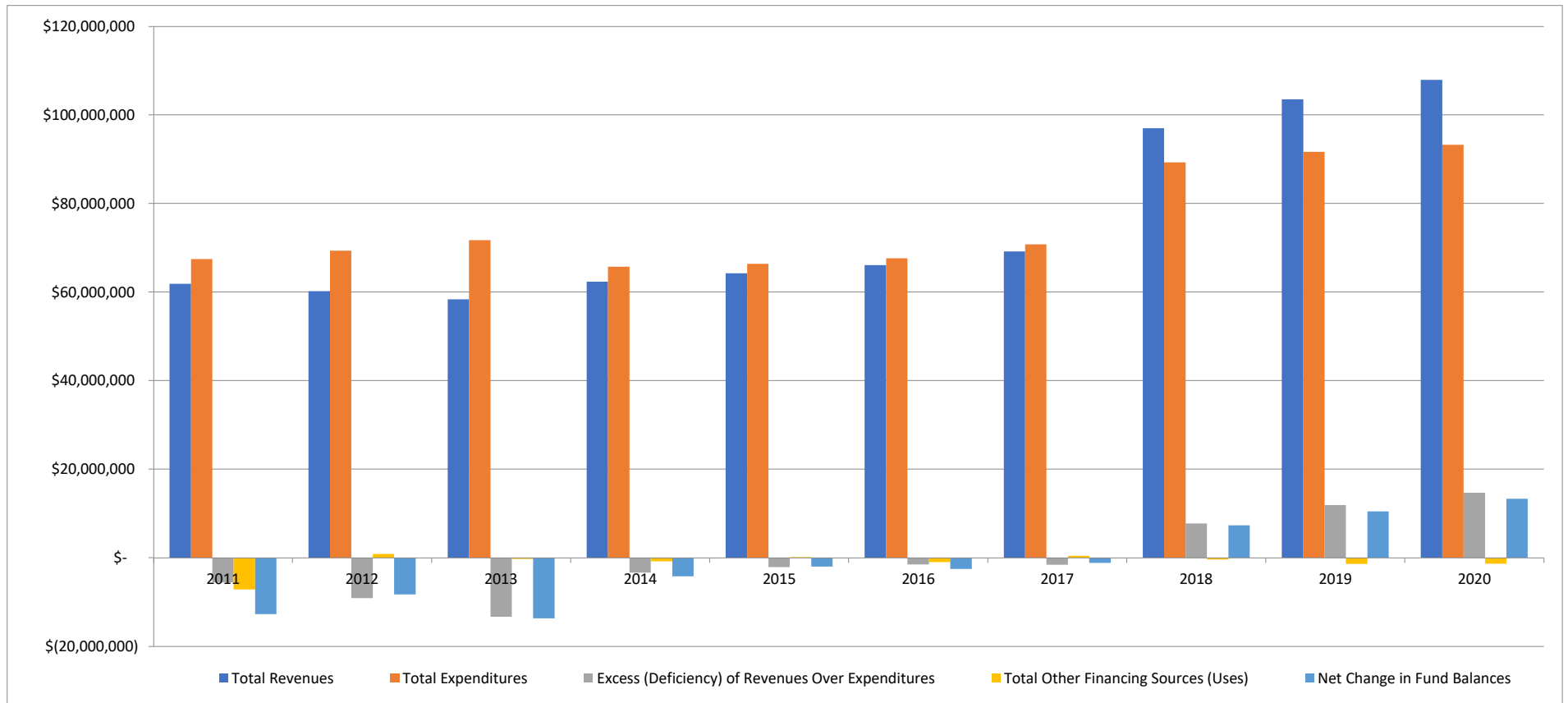
Revenues:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Taxes	\$ 48,092,665	\$ 49,791,543	\$ 47,566,643	\$ 48,749,712	\$ 50,235,661	\$ 51,676,210	\$ 53,698,496	\$ 81,398,688	\$ 85,440,612	\$ 90,768,595
Licenses and Permits	451,172	215,512	775,962	1,056,793	1,020,180	1,029,030	992,763	975,036	802,854	750,274
Intergovernmental	1,580,095	1,409,544	1,400,559	2,145,554	2,138,202	2,125,032	3,114,128	2,901,291	3,480,464	3,197,607
Charges for Services	5,570,018	5,488,362	5,849,162	7,366,996	7,419,591	7,691,184	7,739,112	7,890,782	8,177,120	8,939,562
Fines and Forfeitures	4,461,473	2,273,165	2,284,648	2,225,607	2,623,171	2,566,298	3,043,903	2,961,309	2,483,527	2,007,223
Investment Income	510,585	468,787	115,546	414,807	436,684	660,362	259,125	551,236	2,586,977	2,006,069
Contributions	1,138,077	17,715	13,275	108,510	30,941	19,232	35,597	23,083	66,590	28,958
Miscellaneous	27,767	499,541	326,369	247,779	287,643	287,798	246,549	295,813	461,805	229,416
Total Revenues	<u>\$ 61,831,852</u>	<u>\$ 60,164,169</u>	<u>\$ 58,332,164</u>	<u>\$ 62,315,758</u>	<u>\$ 64,192,073</u>	<u>\$ 66,055,146</u>	<u>\$ 69,129,673</u>	<u>\$ 96,997,238</u>	<u>\$ 103,499,949</u>	<u>\$ 107,927,704</u>
Expenditures:										
General Government	\$ 8,038,927	\$ 8,624,978	\$ 7,957,441	\$ 7,906,318	\$ 8,474,229	\$ 8,840,870	\$ 7,936,679	\$ 8,592,297	\$ 9,039,035	\$ 9,111,737
Judicial System	5,632,112	5,483,839	5,761,405	5,387,294	5,427,604	5,887,696	5,884,104	6,295,282	6,656,779	7,016,993
Public Safety	32,862,460	35,178,886	35,707,478	32,705,193	33,161,474	33,819,105	35,302,047	36,885,121	36,396,203	38,986,101
Public Works	5,356,961	4,648,297	4,117,385	4,318,927	5,450,375	6,007,633	7,072,255	6,721,049	6,592,654	6,097,577
Health and Welfare	761,169	759,057	754,060	822,881	820,891	782,510	794,390	843,841	846,421	878,075
Culture and Recreation	1,917,872	2,019,104	2,010,788	1,991,122	2,078,287	2,080,220	2,194,680	2,219,562	2,402,562	2,417,382
Housing and Development	1,268,371	1,317,126	1,278,862	1,196,085	1,072,343	1,320,363	1,245,260	1,340,112	1,436,446	1,491,960
Capital Outlay	9,399,329	7,461,104	10,286,510	7,566,894	6,005,663	4,965,643	3,620,808	9,474,668	10,818,954	11,414,333
Intergovernmental	23,752	-	-	976,465	586,714	642,365	3,444,846	13,631,641	14,188,850	14,747,011
Debt Service:										
Principal Retirement	864,247	1,855,425	2,108,566	1,220,000	1,710,000	1,785,000	1,835,000	1,890,000	1,950,000	-
Interest Expense	1,306,503	1,968,539	1,714,752	1,612,406	1,553,637	1,478,656	1,425,048	1,370,006	1,313,306	889,000
Paying Agent Fees	450	-	-	-	-	-	-	-	-	195,000
Total Expenditures	<u>\$ 67,432,153</u>	<u>\$ 69,316,355</u>	<u>\$ 71,697,247</u>	<u>\$ 65,703,585</u>	<u>\$ 66,341,217</u>	<u>\$ 67,610,061</u>	<u>\$ 70,755,117</u>	<u>\$ 89,263,579</u>	<u>\$ 91,641,210</u>	<u>\$ 93,245,169</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (5,600,301)</u>	<u>\$ (9,152,186)</u>	<u>\$ (13,365,083)</u>	<u>\$ (3,387,827)</u>	<u>\$ (2,149,144)</u>	<u>\$ (1,554,915)</u>	<u>\$ (1,625,444)</u>	<u>\$ 7,733,659</u>	<u>\$ 11,858,739</u>	<u>\$ 14,682,535</u>
Other Financing Sources (Uses):										
Transfers In	4,781,077	5,108,105	3,239,917	351,900	5,487,092	5,237,258	4,817,807	3,520,543	4,681,683	7,058,492
Transfers Out	(4,148,943)	(4,568,455)	(3,592,117)	(1,205,760)	(6,735,802)	(6,248,686)	(4,392,838)	(3,955,337)	(6,177,130)	(8,633,492)
Refunded Bonds Issued	40,300,000	-	-	-	-	-	-	-	-	29,120,000
Premium on Bonds Issued	1,509,351	-	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow	(49,637,039)	-	-	-	-	-	-	-	-	(28,914,275)
Proceeds from Sale of Capital Assets	16,329	289,063	32,353	6,319	1,363,300	16,152	19,551	25,183	84,411	3,000
Total Other Financing Sources (Uses)	<u>\$ (7,179,225)</u>	<u>\$ 828,713</u>	<u>\$ (319,847)</u>	<u>\$ (847,541)</u>	<u>\$ 114,590</u>	<u>\$ (995,276)</u>	<u>\$ 444,520</u>	<u>\$ (409,611)</u>	<u>\$ (1,411,036)</u>	<u>\$ (1,366,275)</u>
Net Change in Fund Balances	<u><u>\$ (12,779,526)</u></u>	<u><u>\$ (8,323,473)</u></u>	<u><u>\$ (13,684,930)</u></u>	<u><u>\$ (4,235,368)</u></u>	<u><u>\$ (2,034,554)</u></u>	<u><u>\$ (2,550,191)</u></u>	<u><u>\$ (1,180,924)</u></u>	<u><u>\$ 7,324,048</u></u>	<u><u>\$ 10,447,703</u></u>	<u><u>\$ 13,316,260</u></u>
Debt Service as a Percentage of Noncapital Expenditures	3.9%	6.6%	6.6%	5.0%	5.6%	5.5%	4.8%	4.1%	4.2%	1.3%

Note: The large increase in Tax revenues beginning in FY 2006 and ending in FY 2010 was due to the five year life span of the Special Purpose Local Option Sales Tax (SPLOST) for roads.

Note: Debt Service as a Percentage of Noncapital Expenditures is calculated using Capital Outlay

Fayette County, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Revenues	\$ 61,831,852	\$ 60,164,169	\$ 58,332,164	\$ 62,315,758	\$ 64,192,073	\$ 66,055,146	\$ 69,129,673	\$ 96,997,238	\$ 103,499,949	\$ 107,927,704
Total Expenditures	<u>67,432,153</u>	<u>69,316,355</u>	<u>71,697,247</u>	<u>65,703,585</u>	<u>66,341,217</u>	<u>67,610,061</u>	<u>70,755,117</u>	<u>89,263,579</u>	<u>91,641,210</u>	<u>93,245,169</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (5,600,301)	\$ (9,152,186)	\$ (13,365,083)	\$ (3,387,827)	\$ (2,149,144)	\$ (1,554,915)	\$ (1,625,444)	\$ 7,733,659	\$ 11,858,739	\$ 14,682,535
Total Other Financing Sources (Uses)	<u>(7,179,225)</u>	<u>828,713</u>	<u>(319,847)</u>	<u>(847,541)</u>	<u>114,590</u>	<u>(995,276)</u>	<u>444,520</u>	<u>(409,611)</u>	<u>(1,411,036)</u>	<u>(1,366,275)</u>
Net Change in Fund Balances	<u>\$ (12,779,526)</u>	<u>\$ (8,323,473)</u>	<u>\$ (13,684,930)</u>	<u>\$ (4,235,368)</u>	<u>\$ (2,034,554)</u>	<u>\$ (2,550,191)</u>	<u>\$ (1,180,924)</u>	<u>\$ 7,324,048</u>	<u>\$ 10,447,703</u>	<u>\$ 13,316,260</u>



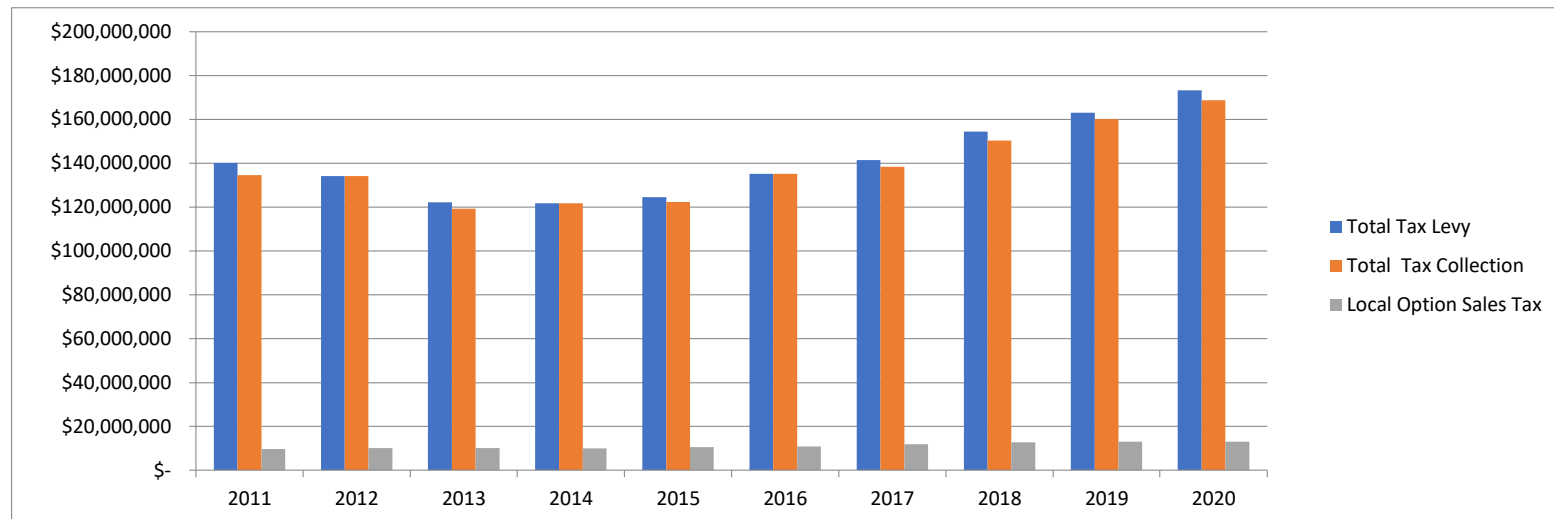
Note: The large decrease in FY 2011 is primarily the result of the Special Purpose Local Option Sales collections and expenditures.

Fayette County, Georgia
Property Tax Levies, Collections and Local Option Sales Tax Proceeds
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Year Tax Collections	Percentage of Levy Collected	Collection of Prior Years Property Taxes	Total Tax Collection	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes (2)	Ratio of Delinquent Taxes to Total Tax Levy	Local Option Sales Tax Proceeds (1)
2011	\$ 140,148,922	\$ 134,663,746	96.09%	\$ (1,121)	\$ 134,662,625	96.09%	\$ 1,121	0.00%	\$ 9,572,548
2012	134,178,334	131,714,621	98.16%	(19,960)	134,156,555	99.98%	19,960	0.01%	10,011,105
2013	122,284,367	119,310,658	97.57%	(19,271)	119,291,387	97.55%	19,271	0.02%	9,968,049
2014	121,777,781	117,737,859	96.68%	4,020,642	121,758,501	99.98%	16,100	0.01%	9,936,255
2015	124,530,100	122,373,029	98.27%	(29,775)	122,343,253	98.24%	29,775	0.02%	10,435,200
2016	135,228,713	131,267,629	97.07%	(21,501)	135,176,231	99.96%	21,501	0.02%	10,812,469
2017	141,407,621	138,482,717	97.93%	(30,591)	138,452,126	97.91%	30,591	0.02%	11,851,965
2018	154,418,197	148,947,488	96.46%	1,396,348	150,343,836	97.36%	53,188	0.03%	12,638,205
2019	163,027,684	158,555,037	97.26%	1,550,355	160,105,392	98.21%	106,990	0.07%	12,969,423
2020	173,246,427	167,134,641	96.47%	1,631,447	168,766,088	97.41%	468,246	0.27%	12,968,871

(1) Includes only local option sales tax proceeds received by Fayette County. Does not include local option sales tax proceeds received by the City of Fayetteville, the City of Peachtree City, the Town of Tyrone, the Town of Brooks, or the Town of Woolsey.

(2) Adjustments made by auditors in FY2016 use the Fayette County unpaid summary to calculate the outstanding delinquent taxes. Outstanding delinquent taxes comes from County's unpaid summary for County, Fire, EMS, 911. The total tax less current year is prior year collections for the current fiscal year.

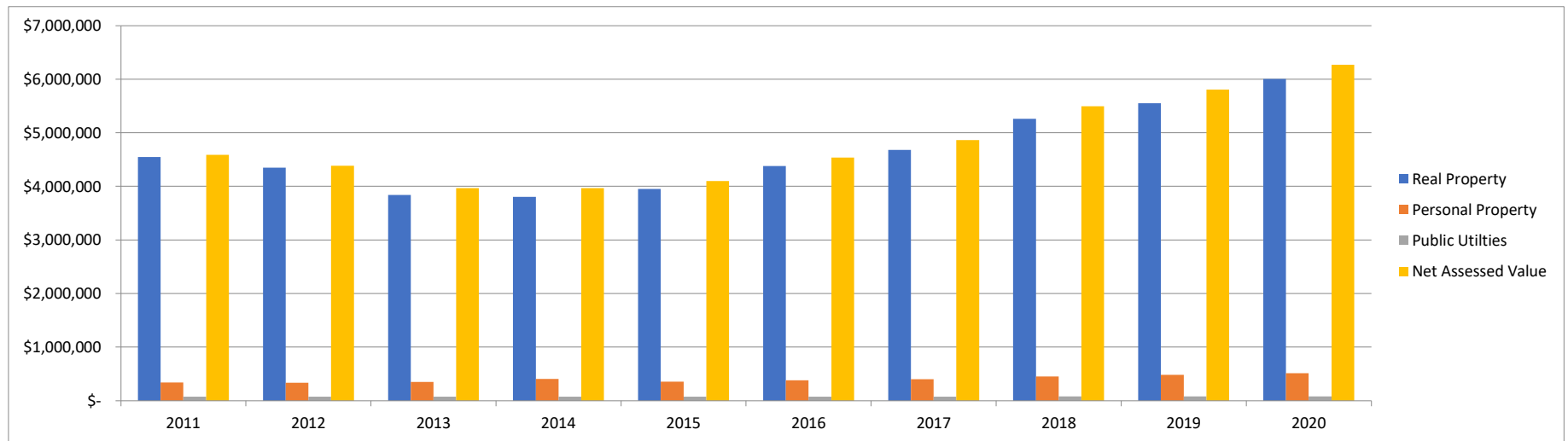


Fayette County, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Real Property		Personal Property		Privately Owned Public Utilities		Total Property		Freeport-Homestead Exemption	Net Assessed Value	Total Direct Tax Rate	Ratio of Total Assessed Value to Total True Value
	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value				
2011	\$ 4,548,164	\$ 11,370,410	\$ 336,972	\$ 842,432	\$ 73,324	\$ 183,312	\$ 4,958,460	\$ 12,396,154	\$ 370,429	\$ 4,588,031	29.84	40.00%
2012	4,347,689	10,869,222	333,903	834,759	72,840	182,101	4,754,432	11,886,082	371,400	4,383,032	30.66	40.00%
2013	3,836,232	9,590,580	350,356	875,890	72,395	180,988	4,258,983	10,647,458	295,313	3,963,670	30.98	40.00%
2014	3,804,354	9,510,886	402,228	1,005,570	74,508	186,270	4,281,090	10,702,726	317,359	3,963,732	31.05	40.00%
2015	3,952,260	9,880,650	355,426	888,565	74,580	186,450	4,382,266	10,955,665	286,482	4,095,784	30.89	40.00%
2016	4,378,530	10,946,325	379,780	949,450	74,640	186,600	4,832,950	12,082,375	295,147	4,537,803	30.31	40.00%
2017	4,680,601	11,701,503	401,865	1,004,663	75,650	189,125	5,158,116	12,895,290	294,422	4,863,694	29.75	40.00%
2018	5,257,750	13,144,375	450,825	1,127,063	76,918	192,295	5,785,493	14,463,733	291,119	5,494,374	29.10	40.00%
2019	5,550,982	13,877,455	479,228	1,198,070	77,951	194,878	6,108,161	15,270,403	303,501	5,804,660	28.98	40.00%
2020	6,001,156	15,002,890	513,059	1,282,648	78,970	197,425	6,593,185	16,482,963	322,358	6,270,827	28.65	40.00%

Note: Property is reassessed annually as of January 1. The County assesses property at 40 percent of the fair market value for all real and personal property.

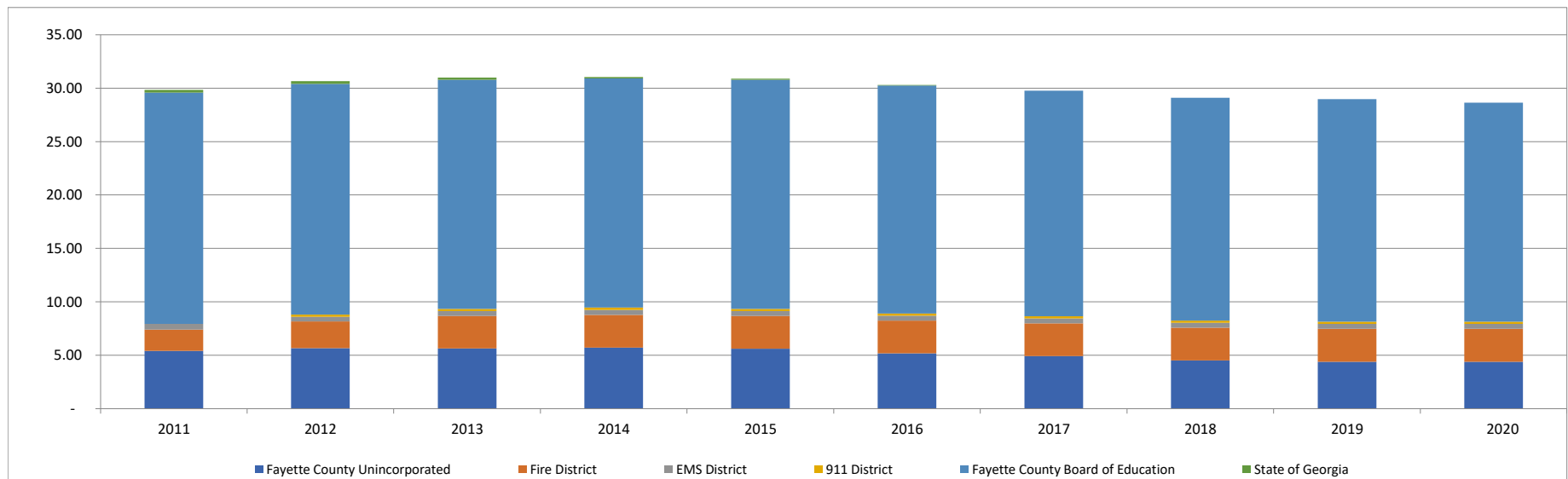
Assessed Value Information



Fayette County, Georgia
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(millage rate per \$1,000 of assessed value)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Primary Government:										
Fayette County Unincorporated	5.40	5.65	5.65	5.71	5.60	5.17	4.92	4.51	4.39	4.39
Fire District	1.99	2.50	3.03	3.07	3.07	3.07	3.07	3.07	3.07	3.07
Emergency Medical Services (EMS) District	0.55	0.45	0.45	0.46	0.46	0.46	0.46	0.46	0.46	0.46
E-911 Communications District	-	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21	0.21
Total Primary Government	7.94	8.81	9.33	9.45	9.34	8.91	8.66	8.25	8.13	8.13
Fayette County Board of Education	21.65	21.60	21.45	21.45	21.45	21.35	21.10	20.85	20.85	20.52
State of Georgia	0.25	0.25	0.20	0.15	0.10	0.05	-	-	-	-
Total	29.84	30.66	30.98	31.05	30.89	30.31	29.76	29.10	28.98	28.65

Note: Due to taxation equity issues, the EMS and E-911 Tax Districts were created during the ten year span. Previously, they had been part of the Unincorporated millage rate.



**Fayette County, Georgia
Principal Property Taxpayers
Current Fiscal Year and Nine Years Ago**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Wencor LLC DBA & The Wencor Group	\$ 32,395,476	1	0.49%	\$ -		0.00%
Sany America Inc.	23,767,434	2	0.36%	-		0.00%
Walmart Stores Inc.	21,131,864	3	0.32%	-		0.00%
Brent Scarbrough & Co Inc.	20,948,846	4	0.32%	-		0.00%
Georgia Power Company & Attn. Michael	19,254,082	5	0.29%	10,710,014	9	0.22%
Pinewood Atlanta LLC	18,522,253	6	0.28%	-		0.00%
GlaxoSmithKline Inc.	17,119,356	7	0.26%	-		0.00%
Hoshizaki America Inc.	16,490,173	8	0.25%	11,742,161	8	0.24%
Coweta Fayette EMC & William Couch	16,462,716	9	0.25%	16,808,918	3	0.34%
Camden Summit Partnership LP	14,918,880	10	0.23%	-		0.00%
NCR Corporation	-		0.00%	34,221,404	1	0.69%
DDRTC Fayette Pavilion III & IV & C/O Development	-		0.00%	17,259,208	2	0.35%
DDRTC Fayette Pavilion I & II & C/O Development	-		0.00%	16,206,880	4	0.33%
DDRTC Fayette Pavilion I & II & C/O Development	-		0.00%	12,571,324	6	0.25%
Bellsouth Telecommunication	-		0.00%	12,856,188	5	0.26%
Atlanta Gas Light	-		0.00%	11,925,199	7	0.24%
Dixie Aerospace, Inc.	-		0.00%	10,241,060	10	0.21%
Sub-Total Top Ten Taxpayers	\$ 201,011,080		3.05%	\$ 154,542,356		3.12%
Total Other Taxpayers	6,392,173,920		96.95%	4,803,917,644		96.88%
Total Assessed Value - All Taxpayers	<u>\$ 6,593,185,000</u>		<u>100.00%</u>	<u>\$ 4,958,460,000</u>		<u>100.00%</u>

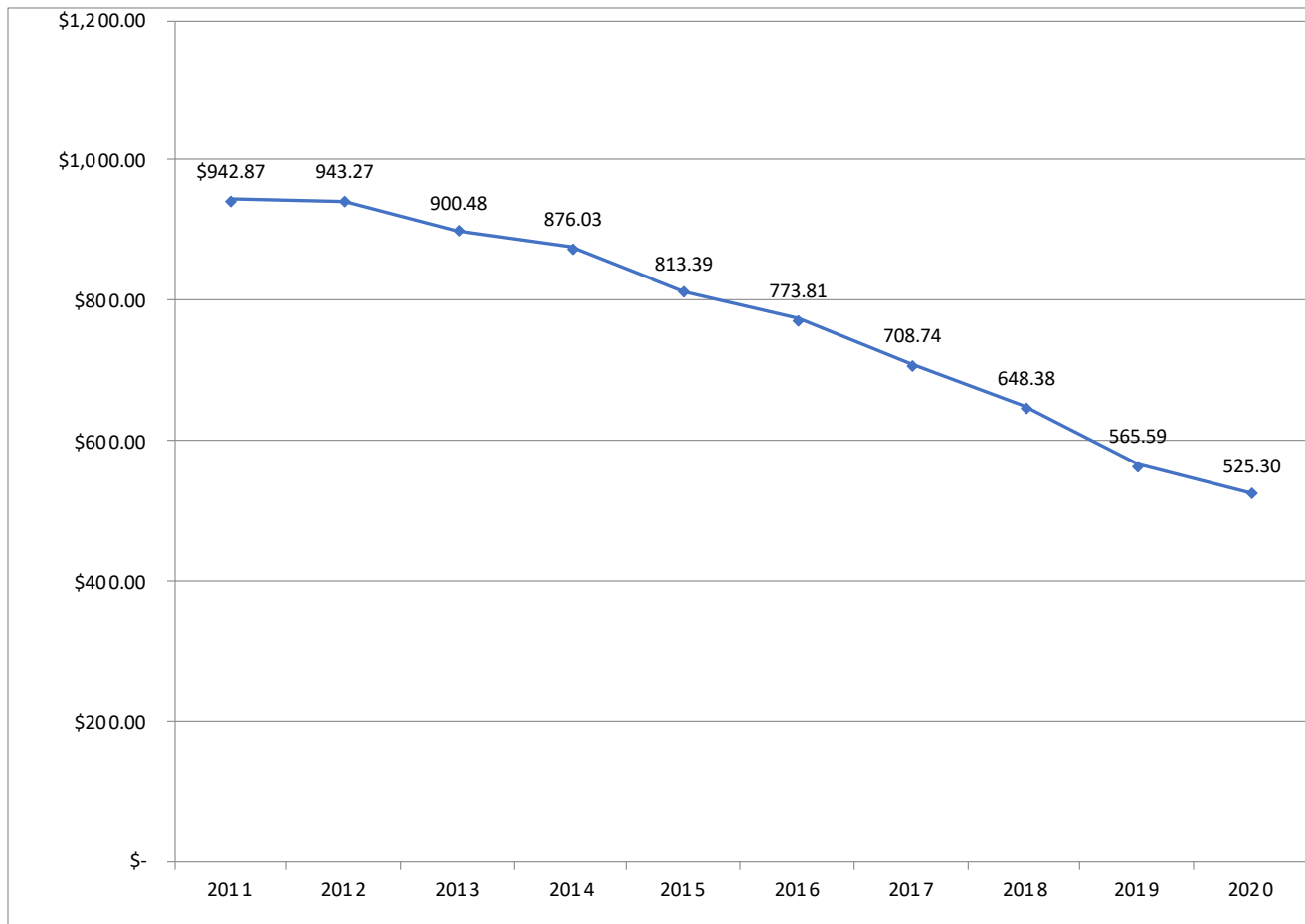
Source: Fayette County Tax Commissioner

FAYETTE COUNTY, GEORGIA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Debt Per Capita (2)
	Revenue Bonds	Certificates of Participation	Capital Lease Obligations	Water Revenue Bonds				
2011	\$ 40,300,000	\$ 3,220,000	\$ 1,878,632	\$ 55,080,000		\$ 100,478,632	2.18%	\$ 942.87
2012	39,350,000	1,331,000	948,566	60,040,000		101,669,566	2.12%	943.27
2013	36,518,788	872,000	-	59,432,952		96,823,740	1.90%	900.48
2014	38,241,004	872,000	-	55,817,664		94,930,668	1.81%	876.03
2015	36,451,555	601,000	-	52,147,369		89,199,924	1.52%	813.39
2016	34,587,106	601,000	-	49,671,340		84,859,446	1.45%	773.81
2017	32,672,657	601,000	-	45,840,998		79,114,655	1.25%	708.74
2018	30,703,208	601,000	-	41,670,644		72,974,852	1.08%	648.38
2019	28,673,759	601,000	-	37,465,279		66,740,038	0.93%	565.59
2020	29,120,000	601,000	-	32,999,904		62,720,904	0.81%	525.30

(1) Source: The Bureau of Economic Analysis

(2) Source: Resolution by the Atlanta Regional Commission Approving Annual Population Estimates



Fayette County, Georgia
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Fayette County Board of Education (a)	\$ 59,082,753	100%	\$ 59,082,753
Peachtree City (b)	-	100%	-
Subtotal for Overlapping Debt			<u>59,082,753</u>
Capital Leases	601,000	100%	601,000
Fayette County Public Facilities Authority	29,120,000	100%	<u>29,120,000</u>
Subtotal for Direct Debt			<u>29,721,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 88,803,753</u></u>

(a) Data provided by Fayette County Board of Education.

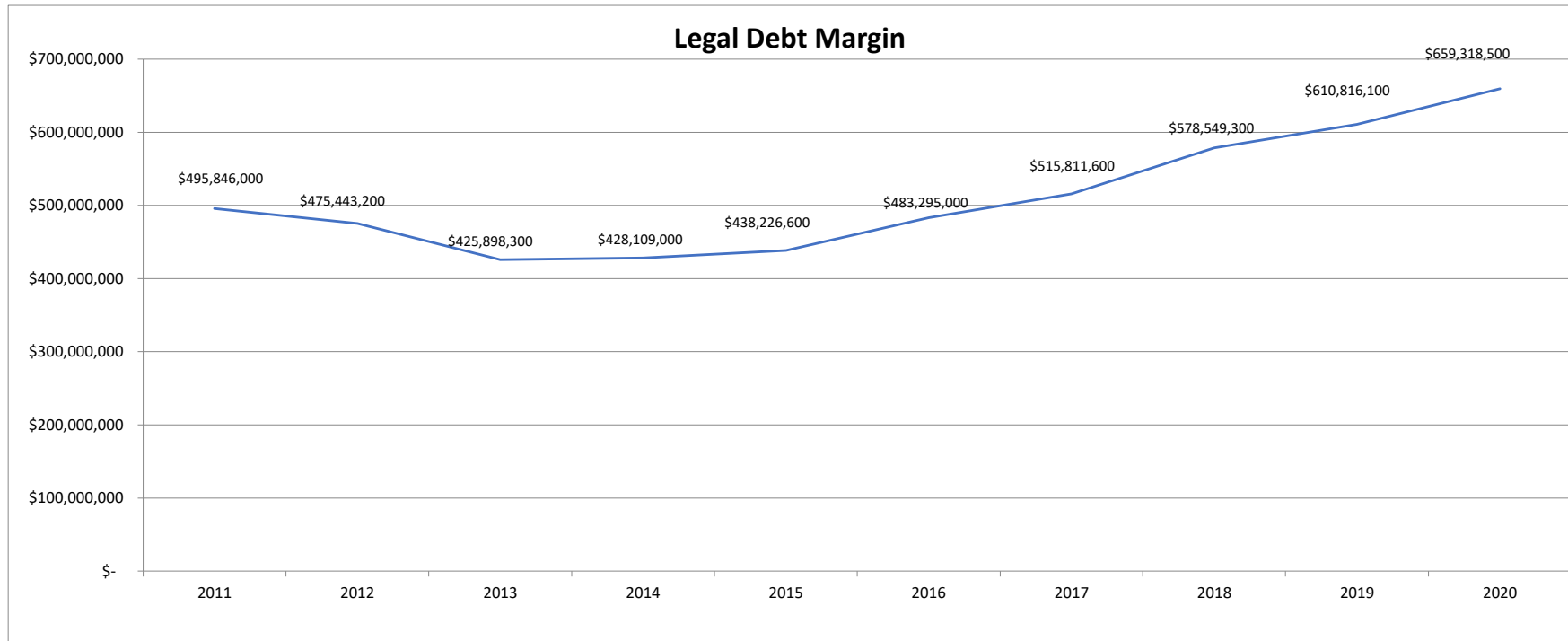
(b) Per the Peachtree City FY2019 CAFR online.

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 residents and businesses.

**Fayette County, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Legal Debt Margin Calculation:										
Net Assessed Value of Property (amounts in \$1,000 increments)	\$ 4,958,460	\$ 4,754,432	\$ 4,258,983	\$ 4,281,090	\$ 4,382,266	\$ 4,832,950	\$ 5,158,116	\$ 5,785,493	\$ 6,108,161	\$ 6,593,185
Debt Limit (10% of Net Assessed Value) (amounts in \$1 increments)	\$ 495,846,000	\$ 475,443,200	\$ 425,898,300	\$ 428,109,000	\$ 438,226,600	\$ 483,295,000	\$ 515,811,600	\$ 578,549,300	\$ 610,816,100	\$ 659,318,500
Less: Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Add: Debt Service Funds Available	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 495,846,000	\$ 475,443,200	\$ 425,898,300	\$ 428,109,000	\$ 438,226,600	\$ 483,295,000	\$ 515,811,600	\$ 578,549,300	\$ 610,816,100	\$ 659,318,500
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Under state finance law, the County's outstanding general obligation debt should not exceed 10 percent of total assessed property value (gross digest). By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.



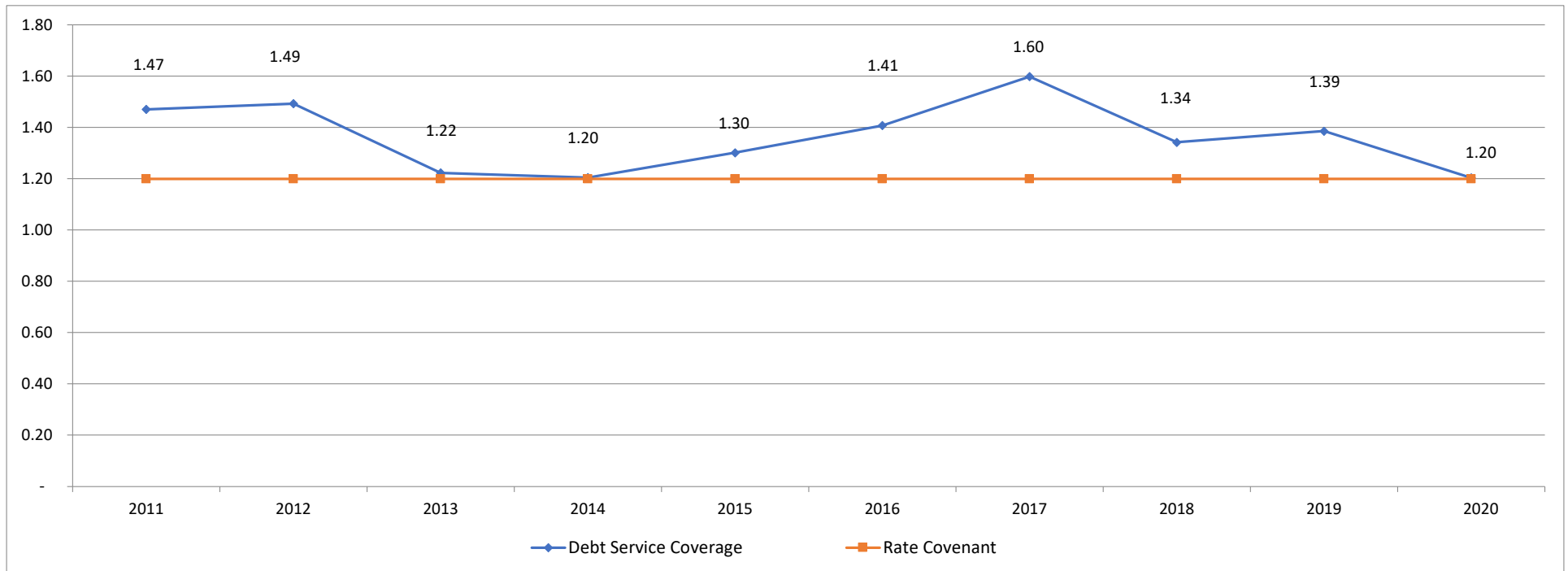
**Fayette County, Georgia
Pledged Revenue Coverage
Last Ten Fiscal Years**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Gross Revenues (1)	\$ 14,289,067	\$ 14,570,866	\$ 13,989,889	\$ 13,675,297	\$ 15,271,737	\$ 15,846,990	\$ 16,962,742	\$ 15,931,846	\$ 16,115,719	\$ 17,352,702
Reasonable and Necessary Operating Costs (2)	<u>6,466,224</u>	<u>6,450,737</u>	<u>6,856,701</u>	<u>6,904,142</u>	<u>8,006,078</u>	<u>8,107,713</u>	<u>8,657,944</u>	<u>8,662,466</u>	<u>8,784,808</u>	<u>10,891,039</u>
Net Revenue Available for Debt Service (3)	7,822,843	8,120,129	7,133,188	6,771,155	7,265,659	7,739,277	8,304,798	7,269,380	7,330,912	6,461,663
Debt Service Payments	5,320,501	5,440,539	5,833,311	5,622,276	5,583,888	5,499,625	5,194,642	5,416,994	5,290,975	5,368,452
Coverage	1.47	1.49	1.22	1.20	1.30	1.41	1.60	1.34	1.39	1.20

(1) "Gross Revenues" represents Operating Revenues for the Water System which excludes interest income and tap fees.

(2) "Reasonable and Necessary Operating Costs" represents the Operating Expenses of the Water System less the non-cash items of depreciation and amortization expenses.

(3) Represents net revenues before depreciation and non-operating revenues and expenses.



Fayette County, Georgia
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Personal Income	Per Capita Personal Income	(3) Median Age	(4) School Enrollment*	(5) Unemployment Rate
2011	106,567	\$ 4,614,827,000	\$ 43,215	42	21,683	9.0%
2012	107,784	4,792,110,000	44,460	43	21,120	7.3%
2013	107,524	5,097,304,000	47,406	43	20,506	7.0%
2014	108,365	5,246,261,000	48,413	42	20,301	7.1%
2015	109,664	5,872,326,000	53,548	43	20,243	6.0%
2016	110,714	6,018,520,000	54,361	43	20,242	4.7%
2017	111,627	6,335,845,000	56,759	43	20,238	4.9%
2018	116,200	6,785,085,000	60,286	43	20,104	3.5%
2019	118,000	7,206,314,000	63,515	42	20,520	3.5%
2020	119,400	7,719,618,000	67,467	42	20,590	4.7%

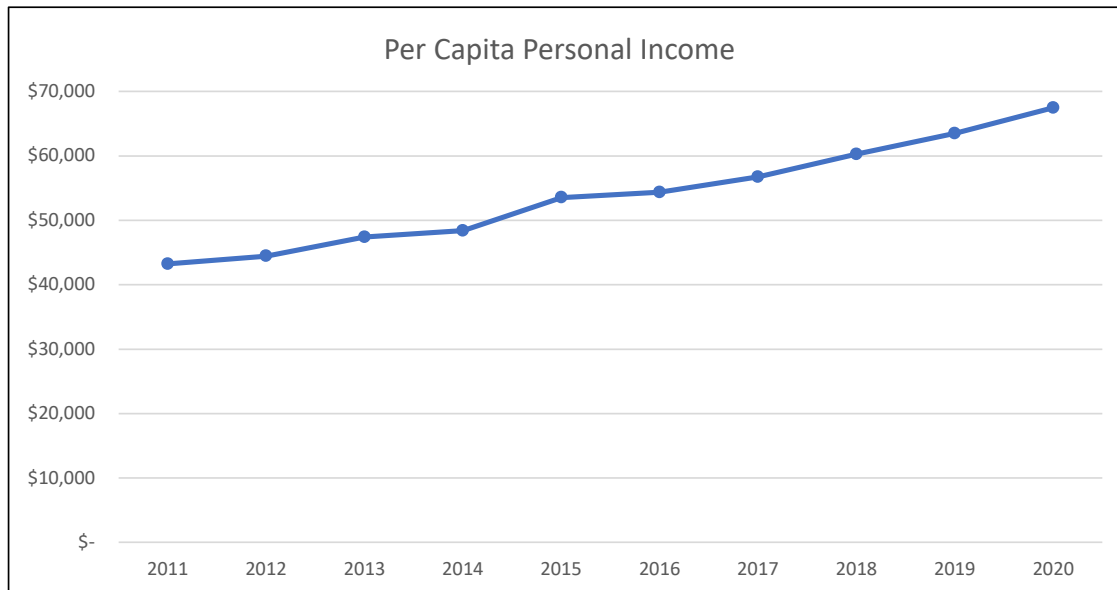
(1) Source: Atlanta Regional Commission

(2) Source: The Bureau of Economic Analysis

(3) Source: United States Census

(4) Source: Fayette County Board of Education

(5) Source: HomeFacts



Fayette County, Georgia
Principal Employers
Current Year and Nine Years Ago

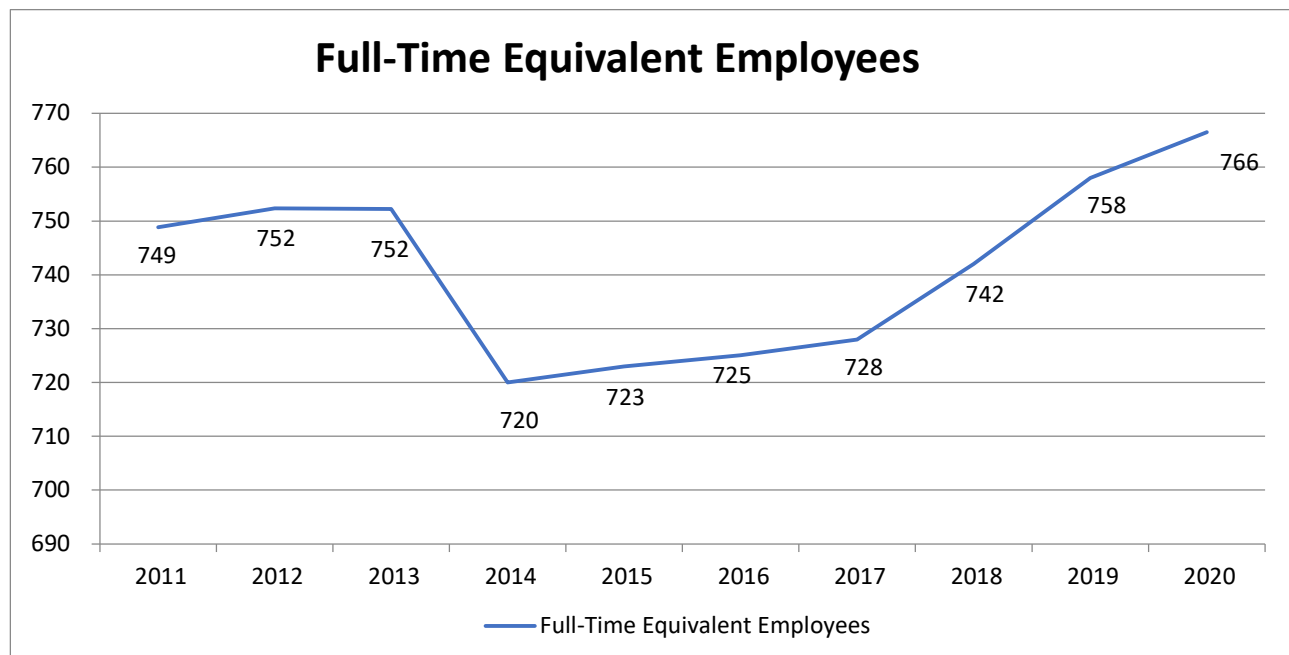
Private Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment (1)	Employees	Rank	Percentage of Total County Employment
Piedmont Fayette Hospital	2,000	1	3.45%	1,435	1	3.14%
Panasonic Automotive Systems Co.	800	2	1.38%	460	5	1.01%
Cooper Lighting Solutions	650	3	1.12%	550	3	1.20%
Hoshizaki America Inc.	570	4	0.98%	500	4	1.09%
Walmart SuperCenter	427	5	0.74%			
WalMart	400	6	0.69%			
Cornerstone Building Brands Inc.	250	7	0.43%			
Gerresheimer Peachtree City LP	250	8	0.43%			
Condor Health Lafayette	210	9	0.36%			
Publix	200	10	0.35%			
NCR				850	2	1.86%
World Airways				275	6	0.60%
APAC - Georgia				200	7	0.44%
FAA Tracon				190	8	0.42%
Alenco, Inc				181	9	0.40%
Avery Dennison				180	10	0.39%
Total	<u>5,757</u>		<u>9.94%</u>	<u>4,821</u>		<u>10.53%</u>

Source: Fayette County Development Authority
(1) Calculated using Total Labor Force

Fayette County, Georgia
Full-Time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government	111	112	112	104	106	104	104	105	111	114
Judicial System	56	59	59	56	56	56	56	59	59	61
Public Safety:										
Animal Control	7	5	5	5	6	6	7	7	8	8
Coroner	3	3	3	3	3	3	4	4	4	4
Emergency 911	36	36	36	36	36	35	35	36	36	37
Emergency Services	47	47	43	43	37	37	37	37	39	33
Fire	105	105	105	99	105	105	105	105	109	115
Marshal	11	11	11	-	-	-	-	-	-	-
Emergency Management	-	-	4	3	3	3	3	3	3	3
Sheriff	230	230	231	227	227	228	228	228	230	231
Total Public Safety	438	437	438	416	417	416	419	420	429	430
Public Works:										
Roads	45	45	45	43	43	44	44	46	47	47
Water System	61	61	61	65	63	66	66	69	70	71
Stormwater	5	5	5	5	5	7	7	8	8	9
Solid Waste Management	1	1	1	1	1	1	1	1	1	1
Total Public Works	112	112	112	114	112	118	118	124	126	128
Housing and Development	14	14	13	12	14	13	13	15	15	15
Culture and Recreation	17	18	18	18	18	18	18	19	20	20
Total	749	752	752	720	723	725	728	742	758	766

Source: Fayette County Budget Document



Fayette County, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

FUNCTION	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government:										
Number of Registered Voters	76,980	79,710	73,572	80,001	83,295	84,827	83,511	84,021	93,293	92,354
Number of Parcels Assessed	42,479	42,134	42,179	42,325	42,328	42,493	42,920	43,407	43,779	44,172
Judicial System:										
State Cases	2,325	1,805	3,354	2,101	4,017	4,487	5,708	5,067	4,587	4,073
Superior Cases	900	513	3,347	3,981	5,133	4,791	4,559	5,007	4,346	3,571
Magistrate Cases	-	-	4,759	4,481	4,550	6,762	5,197	6,087	5,759	5,468
Firearms Licenses	1,472	1,903	2,936	2,301	2,527	3,010	3,019	3,012	2,815	2,727
Juvenile Cases Filed	1,379	1,108	1,105	1,022	1,229	1,039	1,019	872	900	619
Marriage Licenses	619	600	656	617	587	657	707	639	571	620
Real Estate Instruments Filed	18,800	16,236	19,942	21,214	15,525	17,833	18,885	18,166	17,394	25,381
Public Safety:										
Average Daily Jail Population	256	292	255	246	263	280	296	269	241	201
Fire/EMS Dispatch (1)	13,441	12,954	11,240	14,077	14,997	7,785	16,391	16,382	16,342	17,085
Law Enforcement Dispatch (1)	45,950	46,236	46,841	46,520	58,504	48,053	46,180	45,376	46,741	42,123
Public Works:										
Number of Vehicles Serviced	336	348	354	371	387	399	406	368	359	362
Street Maintenance (Miles)	529	528	529	530	520	522	559	556	581	582
Water Production (MGD))	7.8	8.7	8.4	7.9	8.1	9.4	10.3	9.5	9.3	9.9
Water System Customers	27,698	27,881	28,002	28,927	28,486	29,585	29,988	30,558	31,042	31,543
Housing and Development:										
Building Permits Issued	632	713	186	185	224	215	182	198	127	112
Culture and Recreation										
Monthly Circulation of Library Materials	42,400	53,601	27,681	35,306	28,525	22,000	26,439	29,297	37,657	27,319
Number of Programs and Classes Offered	497	549	619	802	581	534	458	373	532	475
Reference Questions Answered Monthly	11,436	2,594	2,925	2,984	3,266	3,268	8,036	8,094	8,943	8,938

Source: Fayette County Budget Document
Source: Department statistical data

Fayette County, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government:										
County Office Buildings	1	1	1	1	1	1	1	1	1	1
Senior Citizens Center	1	1	1	1	1	1	1	1	1	1
Judicial System:										
Justice Center	1	1	1	1	1	1	1	1	1	1
Public Safety:										
Patrol Vehicles (1)	158	158	160	160	160	145	151	148	144	144
Fire Stations	9	9	9	9	9	9	9	9	9	9
Public Works:										
Miles of County Maintained Roads	529.0	528.0	529.2	530.0	520.5	521.7	523.1	524.0	525.0	526.0
Miles of Road Resurfacing	25.0	33.2	14.1	12.9	16.1	18.2	30.5	31.8	19.3	16.4
Culture and Recreation:										
Park Acreage	366	366	455	455	455	455	455	455	455	455
Parks	6	6	7	7	7	7	7	7	7	7
Multi-Purpose Facility	1	1	1	1	1	1	1	1	1	1
Water System:										
Water Treatment Plant	2	2	2	2	2	2	2	2	2	2

Source: Fayette County Fixed Asset Records and Department Heads

Fayette County, Georgia
Schedule of Insurance Coverages
June 30, 2020

<u>Property Coverages</u>	<u>Amount In Force</u>
Property (1)	\$ 149,598,584
Other Equipment	43,624,653
Flood and Earthquake	5,000,000

Note (1): Includes real and personal property,
and boiler and machinery coverage.

<u>Liability Coverages</u>	<u>Liability Limits</u>	
	<u>Each Occurrence</u>	<u>Aggregate</u>
General Liability	\$ 2,000,000	\$ 3,000,000
Automobile Liability	1,000,000	None
Law Enforcement Liability	2,000,000	2,000,000
Public Officials' Liability	2,000,000	2,000,000

Other Coverages

The County requires payment and performance surety bonds and builders' risk insurance of all contractors and subcontractors involved in construction activities. Surety bonds have to be issued by surety firms listed on the U.S. Treasury approved list and builders' risk insurance has to be in the amount of the contract sum.

Self-Insured Risks

The County is partially self-insured for certain risks such as medical and workers' compensation claims. Additional information on the management of these risks is contained in the Notes to the Financial Statements.

Source: Certificate of Liability Insurance, APEX Insurance Agency, LLC