



FAYETTE COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021



FAYETTE COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021

*Prepared by the
Fayette County Finance Department*

**Fayette County, Georgia
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021**

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INTRODUCTORY SECTION



December 30, 2021

Honorable Lee Hearn Chairman,
Members of the Board of Commissioners,
and the Citizens of Fayette County, Georgia

The Annual Comprehensive Financial Report (ACFR) of Fayette County, Georgia for the fiscal year ended June 30, 2021, 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 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, 2021, 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, 2021, 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 17 through 19.

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 20 through 37.

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

The Annual Comprehensive 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, 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 120,684 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 32,150 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. And by

contractual agreement, the County 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. 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 as reported by the FBI's National Incident-Based Reporting System for 2020 showed serious crimes were down 24 percent compared to 2019. 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 18.74 percent of our population is over 65 years of age, higher than any 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. Graduation rate for Fayette County students for 2021 was 89.7 percent compared to a State-wide average of 83.7 percent. Of the Fayette County residents that have received their high school diploma, 46.2 percent obtained a bachelor's degree or higher. The 2021 average Scholastic Aptitude Test (SAT) scores for Fayette County students was 1152 and compares quite favorably to the National average of 1061. Fayette has the second highest mean score in the state and metro Atlanta when compared to school systems with more than 1,000 test takers. The American College Testing (ACT) scores reported were 24.1 for Fayette County, 22.6 for Georgia and 20.3 nationwide. Fayette's average composite score is the fourth highest in the state and in the metro Atlanta area when compared to school systems with over 600 test takers.

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 2021 are highlighted in the following bullet points:

- Real gross domestic product (GDP) increased 2.0 percent in the third quarter;
- Disposable personal income decreased 0.7 percent in the third quarter;
- Residential housing starts increased by 5.8 percent over 2020;
- U.S. International Trade Balance deficit increased by 22.6 billion, or 45.5 percent, between June 2020 and June 2021.

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 56,055 Fayette County residents that were employed as of June 30, 2021. 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 2020 there were 4,036 industries located in Fayette County that produced 43,249 jobs. Of that total, 518 industries were labeled as "Goods-Producing" and accounted for 7,665 jobs, or 17.7 percent of the total. By far, the largest component was the "Service-Providing" industries. That segment totaled 3,221 firms and represented 30,343 jobs or 70.2 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.

Atlanta and the Metro region enjoy relative economic stability as we emerge from the COVID-19 crisis. 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 have contributed to economic recovery in the region. The COVID-19 crisis has undoubtedly impacted not only the local economy but the global economy as a whole. However, one of the obvious effects of the pandemic, unemployment, has declined significantly over the past year from 7.8 percent in June of 2020 to 3.4 percent in June of 2021.

The near-term economic forecast remains strong. As businesses slowly return to normal operations, we are beginning to see a rise in the economy. The rate of growth is expected to be slow and has been impacted by supply chain issues.

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 2021 tax digest of 6.7 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 2021, the rate for Fayette County was 3.4 percent, compared to the state and national average of 4.0 percent and 5.9 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 3.8 percent in 2022, after it peaked at 14.8 percent in April 2020;
- Gross Domestic Product (GDP) growth rate is expected to rise by 7% in 2021. It is estimated to then drop to a 3.2% growth rate in 2022 and slow further to 2.4% in 2023;
- Inflation will average 2.1 percent in 2022.

MAJOR INITIATIVES

Several significant projects were undertaken in fiscal year 2021. Multiple Stormwater projects to replace culverts and corrugated metal pipes with reinforced concrete pipes were completed during 2021. Additionally, Fire Station #4 was completed in 2021 and replacement of the county-wide public safety radio system continued into 2021. The new radio system will provide enhanced, state-of-the-art communication capability.

Multiple vehicle and large equipment purchases were made during fiscal year 2021 to facilitate the county's operations. Additionally, upgrades to many of the park facilities were completed including replacement of scoreboards, player benches, and bleachers as well as installation of additional security cameras. Improvements to the audio-visual systems at the Justice Center were completed, partially in response to COVID-19 protocols.

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 \$788,150 for the 2021 LMIG program.

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. Ongoing maintenance and operations efforts resulted in production that exceeded 3.47 billion gallons in fiscal year 2021.

LONG-TERM FINANCIAL PLANNING

The financial position of the County has strengthened over the past year; the General Fund operating fund balance increased by \$5,240,432. This was due in part to careful budget management and cost control as well as Federal grant funds from the Coronavirus Aid, Relief, and Economic Security Act (CARES).

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 June 2021. In the comment Moody's states, "The credit position for Fayette County is very strong, and its Aaa rating is above 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 \$321,639,589 or 5.1 percent from January 1, 2019, to January 1, 2020. From January 1, 2020, to January 1, 2021, there was an increase of \$449,293,490 or 6.7 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 52.44 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% to be distributed monthly to the State and 65% 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 FY2022, 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 FY2022 adopted budget, \$3,431,739 is projected to come from the Assigned CIP General Fund Balance to fund projects, \$210,395 is projected to come from Fire Services fund balance, \$42,000 is projected to come from Emergency Medical Services (EMS) fund balance, and \$21,000 is projected to come from 911 Communications fund balance. Water System Projects total \$2,012,267. 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. FY2022, the Contingency projects accounts included the following: \$286,054 in General Fund Projects Contingency, \$383,851 in Special Revenue Funds Projects Contingency and \$144,735 in Recreation Projects Contingency. In FY2022, 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 has funded the construction of a new Fire Station #4 that was placed in service in fiscal year 2021. Replacement of the County Wide Public Safety radio system is also in progress. Essential Stormwater and Transportation infrastructure projects are funded by this revenue source as well.

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 \$240,522 on all investments of the Governmental and Proprietary Fund-Types for the year ended June 30, 2021. Fluctuation in rates due to uncertain economic conditions as a result of the existing political climate resulted in a decrease from 2020 of \$2,047,680. 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, 2021, 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 annual comprehensive financial report (ACFR) for the year ended June 30, 2020. The County has received this award for each of the last twenty-eight years. In order to be awarded a Certificate of Achievement, Fayette County published an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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 2021. This represents the twenty-third 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

**Fayette County, Georgia
List of Principal Officials
June 30, 2021**

Elected County Officers

Board of Commissioners:

District 1 Eric K. Maxwell
District 2, Chairman Lee Hearn
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 W. Fletcher Sams

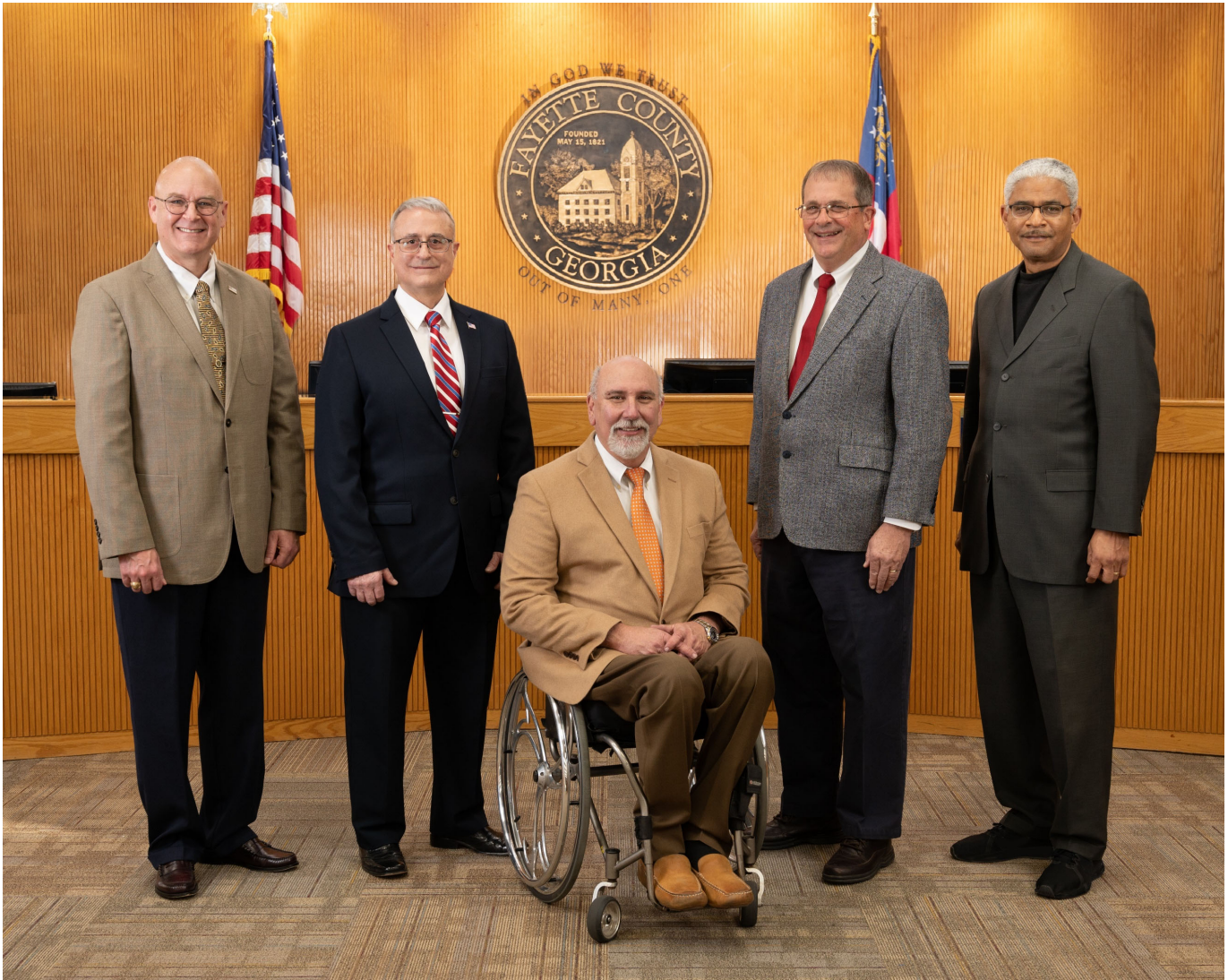
Principal Officials

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. Smith
Community Development Pete Frisina
911 Communications Center Katy Vogt
Emergency Management Captain Michael Singleton
Fire & Emergency Medical Services Chief Jeffrey Hill
Human Resources Lewis Patterson
Chief Information Officer Phillip Frieder
Library Michelle Copeland Bennett
Parks and Recreation Anita Godbee
Public Works Phil Mallon
Tax Assessor Joel T. Benton
Water System Vanessa Tigert

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, 2021**

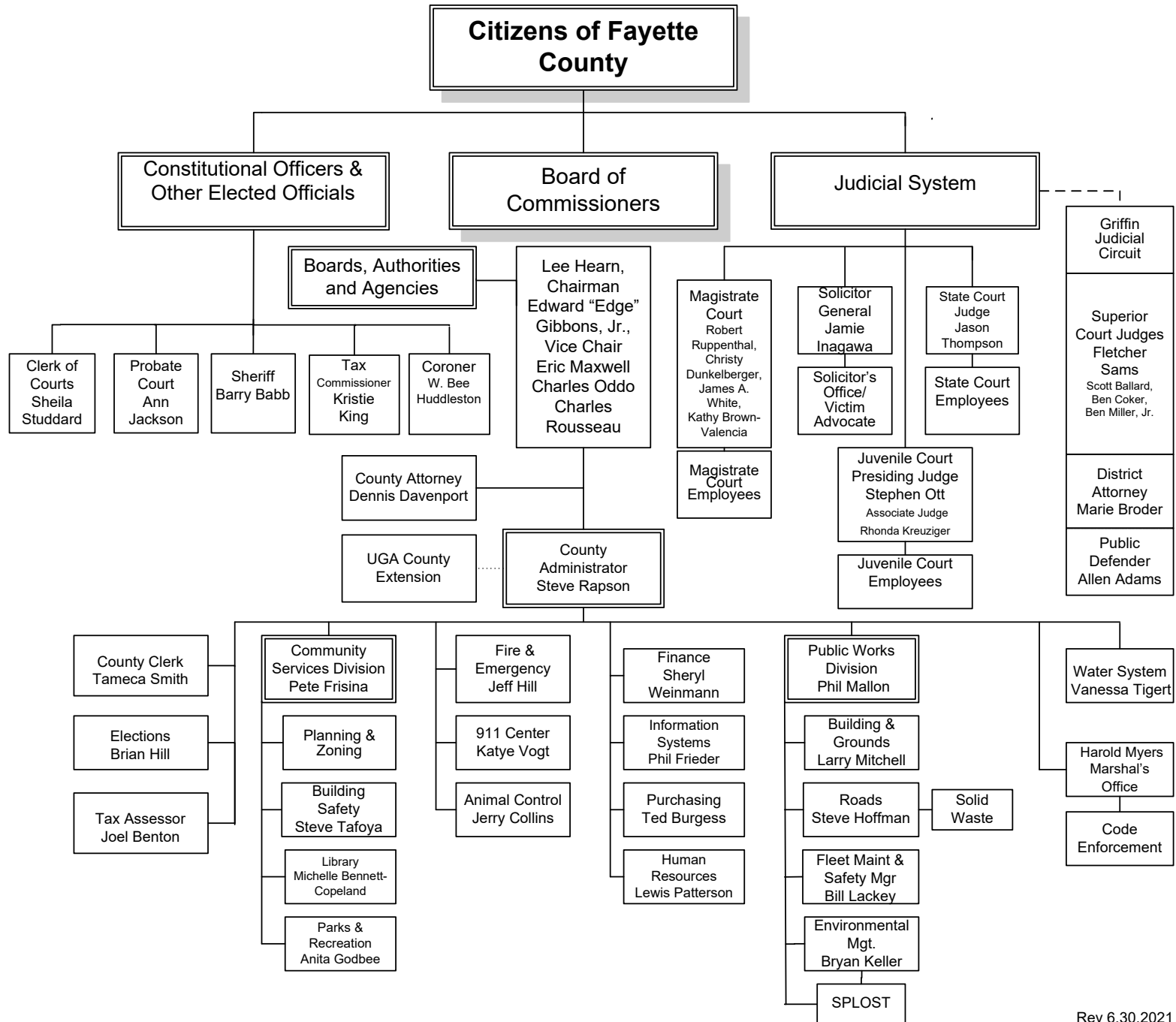


left to right: Edward Gibbons, Jr. Charles W. Oddo,, Eric K. Maxwell, Lee Hearn., Charles D. Rousseau,

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



Fayette County, Georgia FY2021 Organizational Chart



**Fayette County, Georgia
Service Delivery Principles
Fiscal Year Ended June 30, 2021**

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

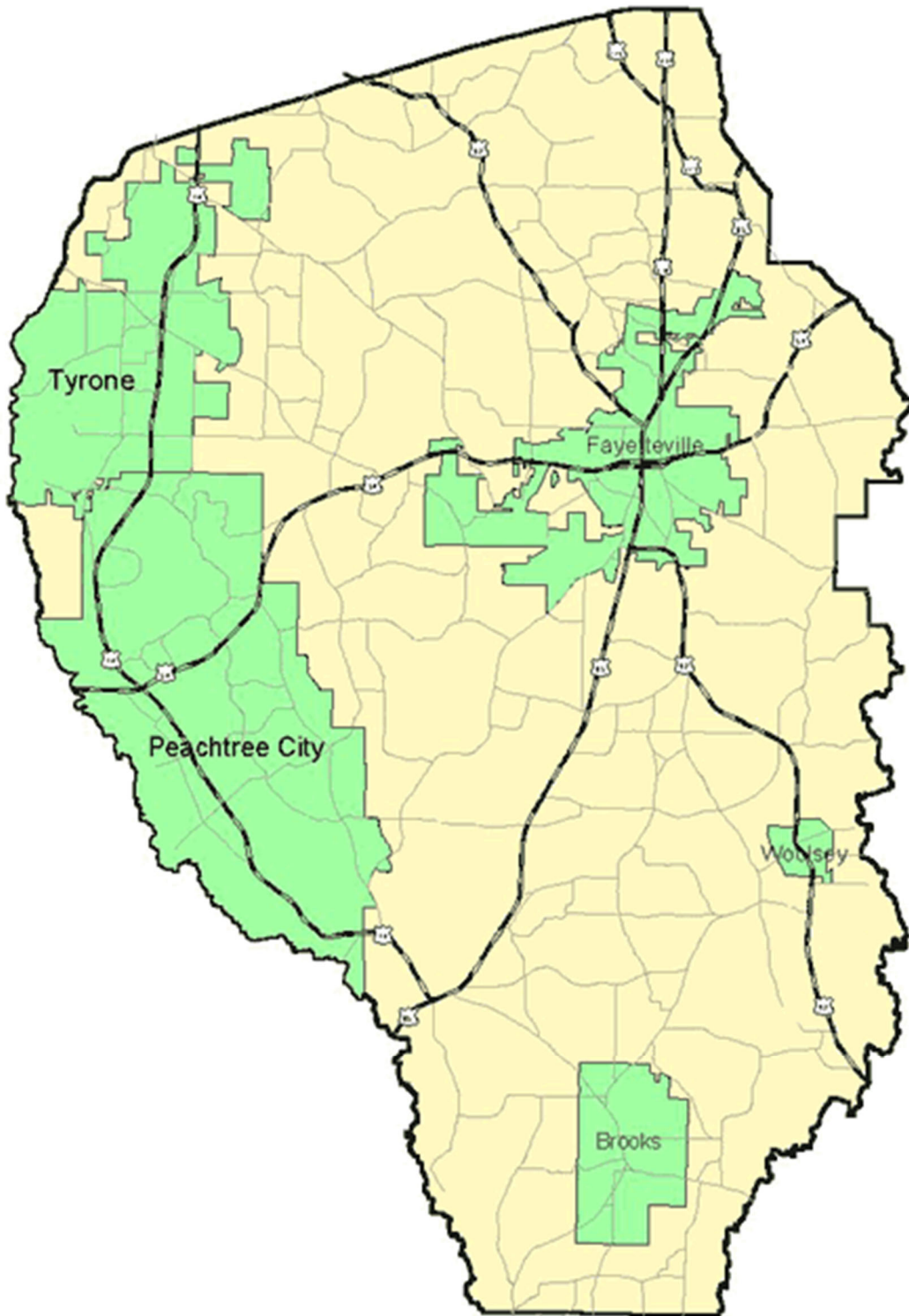

Commissioner Charles Rousseau

Fayette County, Georgia
Map of Metropolitan Atlanta Area
Fiscal Year Ended June 30, 2021



Fayette County

Fayette County, Georgia
Jurisdiction and Road Map of Fayette County
Fiscal Year Ended June 30, 2021





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, 2021, 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of July 1, 2020. This standard significantly changed the accounting for the County's fiduciary funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (on page 20 through 37), General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (on pages 95 through 97), Fire Services Tax District Fund - Schedule of Revenues, Expenditures and Changes in Fund Balances (on page 98), American Rescue Plan – Schedule of Revenues, Expenditures and Changes in Fund Balances (on page 99), the Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios (on page 100), Schedule of County Pension Contributions (on page 101), and the Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 102) 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 December 30, 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
December 30, 2021

Fayette County, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

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, 2021. 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 Annual Comprehensive Financial Report (ACFR) 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 9 in the Introductory Section of this report.

Financial Highlights

- The *Assets* of Fayette County, Georgia exceeded its *Liabilities* at June 30, 2021 by \$326,813,884 (*Net Position*). Of this amount, \$37,578,997 (*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, 2021 increased by \$28,033,237, or 9.38%, over FY2020. This change in Total Net Position is due to an increase in revenues of 12.74% or \$16.3M, as well as a decrease in expenditures of 3.20% or (\$3,847,583).
- At the close of the current fiscal year, the County's Governmental Funds reported combined ending fund balances of \$139,897,408. This amount represented an increase of \$26,059,454 from the prior year and was principally attributable to increased revenues in the 2017 SPLOST Road Capital Projects Funds and expenditures related to Capital Projects as well as increased Local Option Sales Tax and Property Tax collections.
- At the end of the current fiscal year, the Unassigned Fund Balance for the General Fund was \$7,400,351. This amount represented 13.85% of the total of the General Fund's Expenditures for the 2021 fiscal year.
- Fayette County has a stabilization fund designated in fund balance equal to three months of expenses, or \$15,213,869.
- Fayette County's total long-term debt decreased \$6,725,000 due to regularly scheduled payments of the Water System Revenue Bonds and 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 38 through 40 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 thirteen (13) 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 American Rescue Plan Fund, the 2017 SPLOST Capital Projects Fund, the County-Wide Roads 2004 SPLOST Capital Projects Fund, and the General 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 41 through 44 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 Major Medical Self-Insurance Fund, the Dental and Vision 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 45 through 49 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 Statements* can be found on pages 50 through 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 94 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 95 through 102 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 103 through 121 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.

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 \$326,813,884 at the close of the most recent fiscal year. The condensed financial information for Fayette County, Georgia’s *Net Position* as of June 30, 2021 and 2020 is presented in the following table.

FAYETTE COUNTY, GEORGIA'S NET POSITION						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
Current and Other Assets	\$156,282,925	\$123,975,024	\$21,190,706	\$21,179,530	\$177,473,631	\$145,154,554
Capital Assets (Net)*	131,456,154	132,621,110	100,496,172	102,682,435	231,952,326	235,303,545
Total Assets	287,739,079	256,596,134	121,686,878	123,861,965	409,425,957	380,458,099
Deferred Outflows of Resources	9,052,421	9,252,065	1,592,166	1,770,258	10,644,587	11,022,323
Long-Term Liabilities Outstanding	39,882,788	42,887,005	25,540,863	30,443,866	65,423,651	73,330,871
Other Liabilities	15,399,478	8,084,046	6,935,845	6,501,331	22,335,323	14,585,377
Total Liabilities	55,282,266	50,971,051	32,476,708	36,945,197	87,758,974	87,916,248
Deferred Inflows of Resources	4,973,474	3,246,491	524,212	348,388	5,497,686	3,594,879
Net Investment in Capital Assets	105,728,396	104,446,086	72,767,039	70,648,015	178,495,435	175,094,101
Restricted	87,634,242	74,002,549	23,105,210	22,548,415	110,739,452	96,550,964
Unrestricted	43,173,122	33,182,022	(5,594,125)	(4,857,792)	37,578,997	28,324,230
Net Position, Beginning (as restated)	\$210,442,009		\$88,338,638		\$298,780,647	
Total Net Position, Ending	\$236,535,760	\$211,630,657	\$90,278,124	\$88,338,638	\$326,813,884	\$299,969,295

*Capital assets net of depreciation was restated in Governmental Activities to \$131,432,462. See Note 20.

As indicated by the tabular information on the previous page, the largest portion of the County's *Net Position* (i.e., 54.62% 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 \$231,952,326 in *Capital Assets* (net of accumulated depreciation) that are owned by the County represents 56.65% 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 \$2.1M decrease in the Capital Assets, Net of Accumulated Depreciation, is due to a \$600k decrease in Construction in Progress due to reclassification of \$3.8M in capital projects in addition to retirement and disposal of many assets that are no longer in service.

Deferred Outflows decreased by a total of \$377k. This was due to small changes in deferred outflows related to Pensions of (\$32k) and the deferred outflows related to OPEB of \$18k. The largest change was in deferred charges on bond refunding of (\$363k).

Deferred Inflows increased by a total of \$1.902M. The increase was due to the deferred inflows related to Pensions increase of \$1.908M.

Noncurrent liabilities decreased by \$7.907M, or (10.78%), largely due to the refunding of the Public Facilities Authority Bonds of \$7.71M and a decrease in the Net Pension Liability for FY2021 of \$201k. Current liabilities increased by \$7.75M, or 53.14%, mainly due to an increase in payables accounts, most notably Claims Payable, Accrued Salaries Payable, and Unearned Revenues.

In reviewing the other components of the County's *Net Position*, *Restricted Net Position* was \$110,739,452 which translates into 33.88 percent 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 \$87,634,242 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. And for the *Business-Type Activities*, the \$23,105,210 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.

And lastly, the *Unrestricted Net Position* component for Governmental Activities is \$43,173,122 and represents 18.25 percent of the total Governmental *Net Position*, compared to 15.68 percent 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.

At the end of the current fiscal year, Fayette County is able to report positive balances in all three categories of *Net Position*, both for the government as a whole, as well as for its separate *Governmental* and *Business-Type Activities*. The same situation held true for the prior fiscal year.

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, 2021 and 2020. As indicated by the information in the table, the Net Position for the fiscal year ended June 30, 2021 increased by \$28,033,237.

FAYETTE COUNTY, GEORGIA'S CHANGES IN NET POSITION						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 12,138,320	\$ 11,862,824	\$ 16,103,274	\$ 17,459,717	\$ 28,241,594	\$ 29,322,541
Operating Grants & Contributions	8,166,889	1,171,491	34,500	-	8,201,389	1,171,491
Capital Grants & Contributions	5,449,756	3,215,349	1,771,985	1,607,295	7,221,741	4,822,644
General Revenues:						
Property Taxes	49,752,507	46,930,412	-	-	49,752,507	46,930,412
Sales Taxes	46,168,989	40,127,654	-	-	46,168,989	40,127,654
Other Taxes	4,595,718	4,131,492	-	-	4,595,718	4,131,492
Unrestricted Investment Earnings	141,437	1,230,907	10,019	226,007	151,456	1,456,914
Gain on Disposal of Capital Assets	27,838	62,939	-	-	27,838	62,939
Miscellaneous Revenues	204,539	224,942	19,156	-	223,695	224,942
Total Revenues	\$ 126,645,993	\$ 108,958,010	\$ 17,938,934	\$ 19,293,019	\$ 144,584,927	\$ 128,251,029
Expenses:						
General Government	\$ 11,405,527	\$ 11,786,284	-	-	\$ 11,405,527	\$ 11,786,284
Judicial System	8,198,403	8,948,462	-	-	8,198,403	8,948,462
Public Safety	42,477,321	49,081,833	-	-	42,477,321	49,081,833
Public Works	32,174,841	25,838,947	-	-	32,174,841	25,838,947
Health & Welfare	901,465	878,699	-	-	901,465	878,699
Culture & Recreation	2,828,244	3,115,950	-	-	2,828,244	3,115,950
Housing & Development	1,620,693	1,773,191	-	-	1,620,693	1,773,191
Interest & Fiscal Charges	785,748	1,049,895	-	-	785,748	1,049,895
Water System	-	-	15,932,841	17,654,078	15,932,841	17,654,078
Solid Waste	-	-	226,607	271,934	226,607	271,934
Stormwater Utility	-	-	-	-	-	-
Total Expenses	\$ 100,392,242	\$ 102,473,261	\$ 16,159,448	\$ 17,926,012	\$ 116,551,690	\$ 120,399,273
Increase (Decrease) in Net Position Before Transfers	\$ 26,253,751	\$ 6,484,749	\$ 1,779,486	\$ 1,367,007	\$ 28,033,237	\$ 7,851,756
Transfers	\$ (160,000)	\$ (100,000)	\$ 160,000	\$ 100,000	\$ -	\$ -
Increase (Decrease) in Net Position	\$ 26,093,751	\$ 6,384,749	\$ 1,939,486	\$ 1,467,007	\$ 28,033,237	\$ 7,851,756
Net Position - Beginning (as restated)*	\$ 210,442,009	\$ 205,245,908	\$ 88,338,638	\$ 86,871,631	\$ 298,780,647	\$ 292,117,539
Net Position - Ending	\$ 236,535,760	\$ 211,630,657	\$ 90,278,124	\$ 88,338,638	\$ 326,813,884	\$ 299,969,295

Total Primary Government. Based on the FY2021 Net Position, this net increase of \$28,033,237 for the fiscal year ended June 30, 2021. Of the \$28.03M increase, \$26.09M increase was attributable to the *Governmental Activities* and \$1.94M was attributable to the Business-Type Activities.

In comparing the operating results between the two fiscal years, \$28,033,237 v. \$7,851,756, this swing of the \$20,181,481 change between FY2021 and FY2020, increased revenues accounted for \$16.33M, along with decreased expenses of \$3.85M reflects the variance of \$20.18M. The more significant points are noted below:

Revenues:

- Property Taxes increased \$2.8M. This increase was largely attributable to new construction and strong property values.
- Charges for Services decreased by \$1.1M, the majority of which was traceable to decreased collections in water sales due to higher-than-average rainfall during the year.

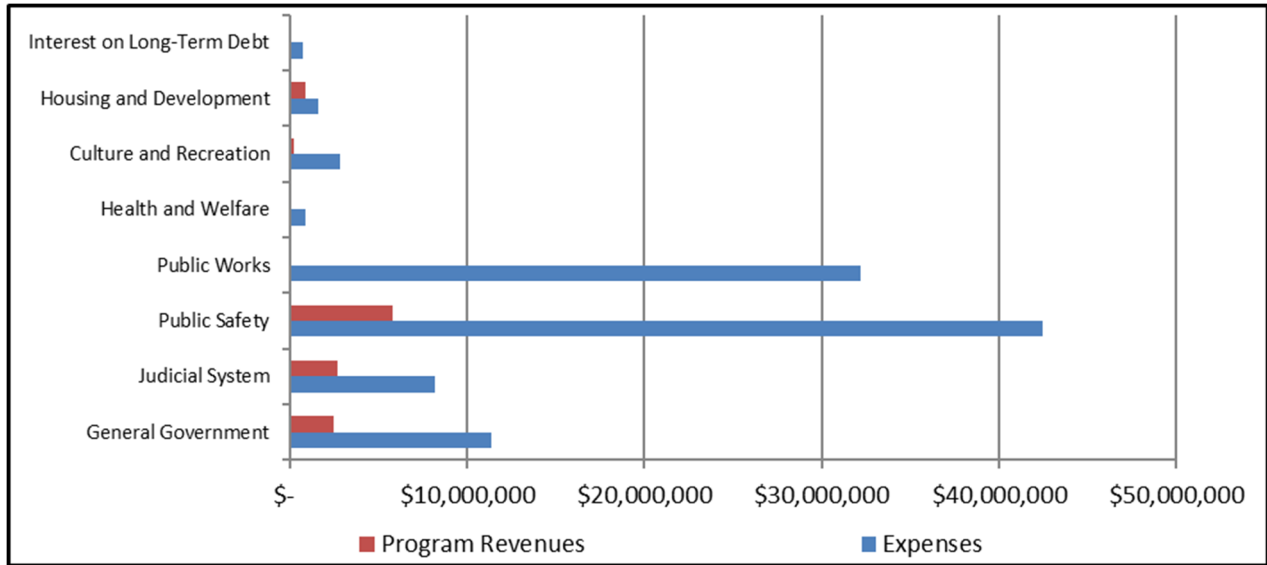
Expenses:

- Costs for services increased \$2.5M most of which was attributable to technical services, maintenance services, and workers' comp and medical costs.
- The \$1.7M decrease in Water System expenses is primarily due to spending restrictions imposed to maintain an acceptable debt service ratio.

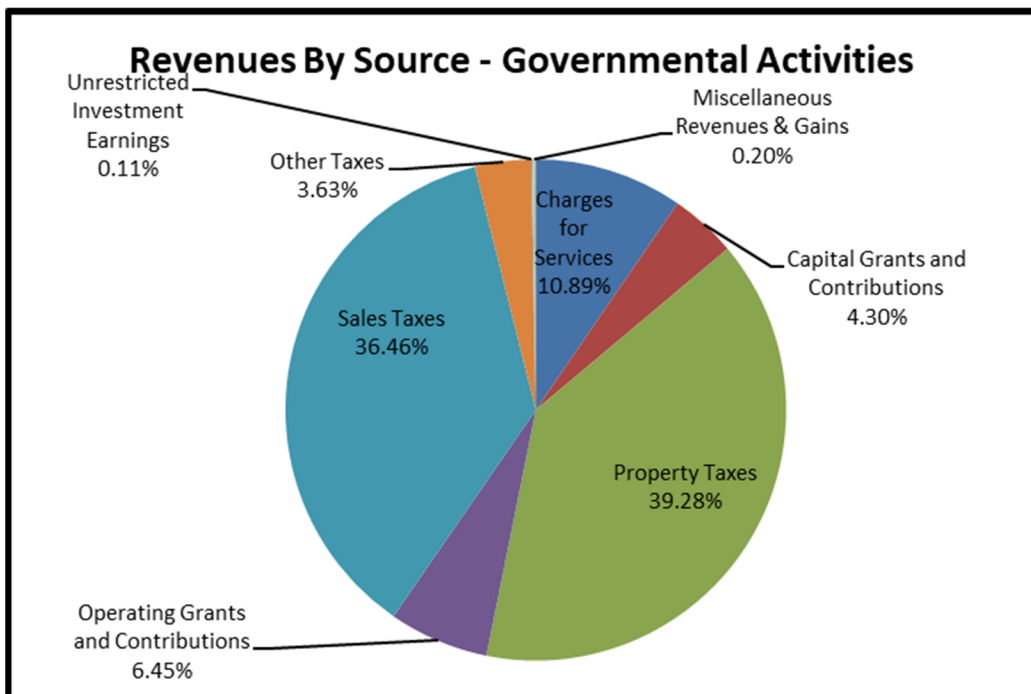
The following chart shows the relationship of functional expenses and the related program revenues that are generated to offset some of the expense of providing that service. Out of the \$100,392,242 in Total Governmental Activities Expenses for the 2021 fiscal year, \$12,138,320 is covered by Program Revenues. The remaining functional expenses of \$88,253,922 are funded through General Revenues such as taxes and interest income.

Functional Expenses and Program Revenues – Governmental Activities

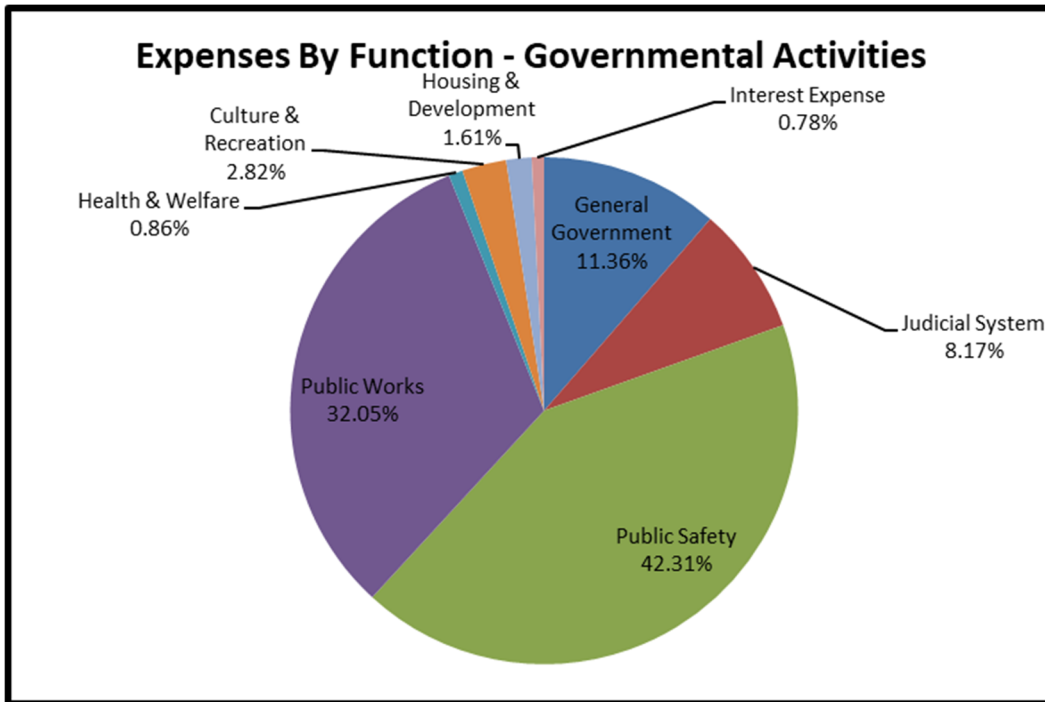
As with any government, management attempts to achieve the right mix between revenue sources and services. While the intrinsic nature of certain services, such as recreational programs and building inspections, lends themselves to the assessment of user fees to offset the cost of delivering that service; 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, 2021. 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, 2021 of \$1,939,486 was attributable to the *Business-Type Activities*. In comparing the operating results between the two fiscal years, the key elements are discussed below:

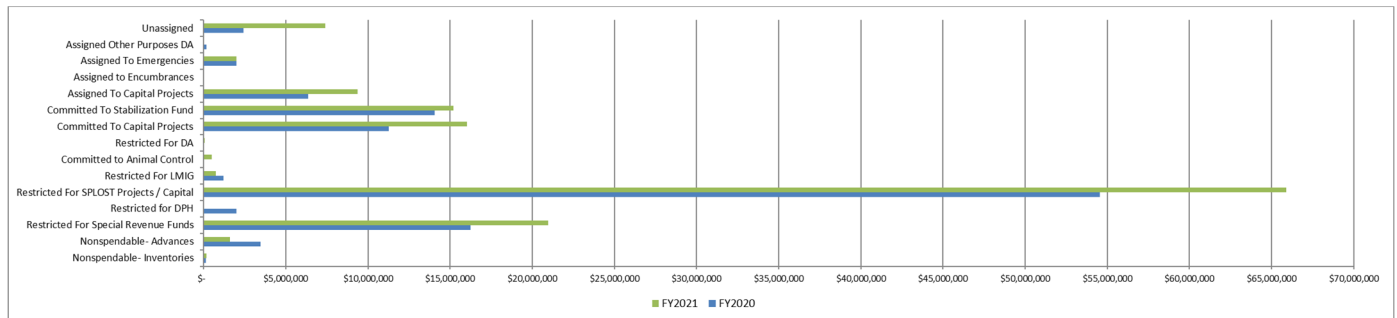
- An increase in Capital Grants & Contributions of \$164,690
- A decrease in expenses of \$1,766,564

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, 2021 and 2020. 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 2021 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, 2021, Fayette County’s *Governmental Funds* reported combined ending fund balances of \$139,897,408 an increase of \$26,059,454 or about 22.89% 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 balances of the two 2017 SPLOST Capital Projects Funds increased by a total of \$11,568,017 during the fiscal year. This was due, in large part, by the collections of approximately \$14.3M for Fayette County SPLOST projects and related expenses. FY2021 was the fourth 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 \$213,393 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 \$30,535,840 are exhausted.

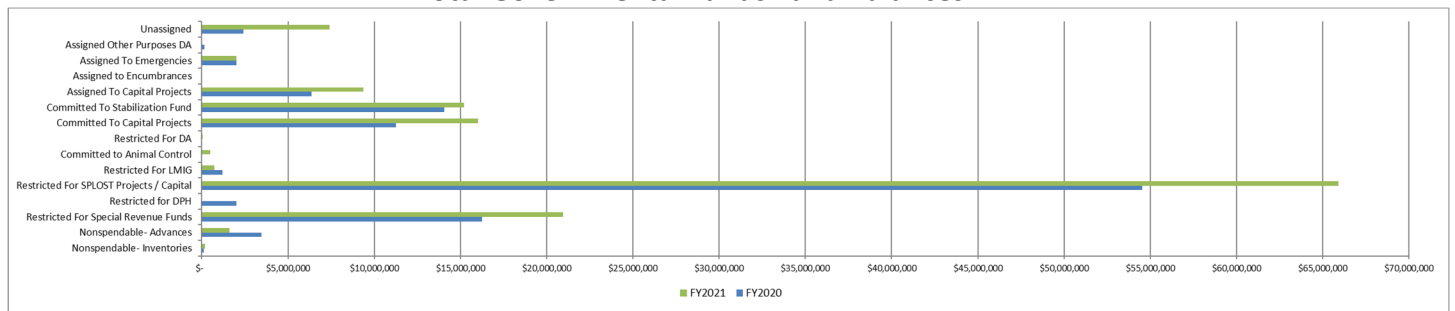
On March 21, 2017, the Fayette County citizens approved an additional 1% sales tax for the approved list of projects presented as part of the 2017 SPLOST referendum. This additional 1% sales tax began on July 1, 2017 and will continue to be disbursed to the municipalities in Fayette County based upon 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 was separated as a major fund, beginning with the FY2020 financials. The two accounts of the 2017 SPLOST funding have a balance of \$35,354,806 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 \$8,627,851, along with the net transfers in/out of (\$3,387,419) increased fund balance by approximately \$5.24M. These transfers were used to provide funding for the 2021 Capital Improvement and Construction projects budget, along with the salary reimbursement funds related to the American Rescue Plan Act of 2021, and Sales of Capital Assets of \$506k.

To gather a good understanding of the availability for appropriation in future periods or the “spendability” of the \$139,897,408 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, \$1,783,320 or 1.27% of the total is reported in the “*Nonspendable*” category. Of this \$1.78M, \$173,648 represents inventories that are considered current assets but are not in a spendable form. The remaining \$1,609,672 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 \$87,634,242 and comprises 62.65% 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., \$20,948,682) 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., \$65,890,646) which are restricted by referendum to specific construction / capital expenditures. This category also includes \$733,552 restricted for LMIG and a restricted balance for the District Attorney of \$61,362.

The aggregate amount for the “*Committed To*” category is \$31,716,898 and comprises 22.67% 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., \$16,023,604), which represents monies that the Board of Commissioners has committed to specific capital improvements, funding committed to Animal Control of \$479,425, and a Stabilization Fund (\$15,213,869) 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 \$11,362,597 or about 8.12% 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 (\$9,362,597).

The final component is the *Unassigned Fund Balance* for the General Fund. At June 30, 2021, the balance was \$7,400,351, which comprises 5.29% 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, 2021 and 2020 the *Total Fund Balance* of the General Fund was \$37,023,051 and \$31,782,619, respectively. The net change in the fund balance during the 2021 fiscal year was an increase of \$5,240,432 or 16.49%, compared to last year’s fund balance \$1.84M increase. This variance includes an increase in revenues of \$5.61M.

FY2021 and FY2020 revenues are \$62,044,151 and \$56,431,218, respectively. The variance, year over year, is approximately \$5.61 million. On the revenue side, the growth in the tax digest for Fayette County accounted for a \$2.16M increase in property taxes, sales tax collections increased by \$2.44M, as well as increased Intergovernmental revenues of \$1.16M.

FY2021 expenditures of \$53,416,300 and FY2020 expenditures of \$48,096,452 varied, year over year, by an increase of \$5,319,848. The breakdown below shows the major increases/decreases of General Fund:

- Debt Service Principal Retirement (\$2.53M)
- Public Works (\$2.23M)
- General Government (\$0.95M)

At June 30, 2021 and 2020, the *Unassigned Fund Balance* was \$7,400,351 and \$2,408,850, respectively representing an increase of \$4,991,501 or 207.22%.

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, 2021, *Unassigned Fund Balance*

represents 13.85 percent of total General Fund expenditures; while *Total Fund Balance* represents 69.31 percent 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 \$8,461,136 at June 30, 2021, which represents an increase from the prior year of \$2,390,620 or 39.38%. The increase in fund balance is due to can be traced to APRA funding used to reimburse salaries in the Fire Services fund. In measuring liquidity, *Total Fund Balance* for the Fire Services Fund represents 81.38% percent of its FY2021 expenditures.

American Rescue Plan (ARPA): The American Rescue Plan Fund accounts for funding received by the Federal or State Government related to the American Rescue Plan Act of 2021. Funding was allocated to state and local governments, based upon population. This fund has a *Total Fund Balance* of \$0 at June 30, 2021. Funding of \$4.41M was transferred into this fund from funds received. These funds were then transferred out to the General Fund, Fire Services, and EMS as salary reimbursements. The funding remaining from the first ARPA installment (\$6.70M) remains in the ARPA fund as unearned revenue until the funds are spent on the identified projects. Projects submitted to be funded by ARPA include reimbursement of public safety salaries, water meter replacement, and construction of a new building for the Department of Public Health.

County-Wide Roads 2004 SPLOST: The County-Wide Roads SPLOST Capital Projects Fund has a total fund balance of \$30,437,576 at June 30, 2021, which represents a decrease from the prior year of \$213,394 or 0.70%. 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.

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, 2021, the fund balance is \$35,354,806, which is an \$11,568,017 increase over last fiscal year. This is largely due to SPLOST revenues of \$17.7M for Fayette County projects and expenses related to those projects of approximately \$7.2M.

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 \$90,278,124 at June 30, 2021 which represented an increase of \$1,939,486 from the previous year.

The *Unrestricted Net Position* of the Water System Enterprise Fund was (\$5,564,518) at June 30, 2021 which represented a decrease of \$759,286 compared to the previous year. The primary reason for this decrease was the restriction for FY2021 Capital Improvement project expenses of \$2.21M.

The Total *Net Position* for the Water System was \$90,170,167 at June 30, 2021 which represents an increase of \$1,932,859 during the 2021 fiscal year while Solid Waste's Net Position increased by \$6,627 to \$107,957.

General Fund Budget

During Fiscal Year 2021, there was a net increase of \$1,318,125 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:

- \$1.1M net increase for 2020 LMIG: \$1.2M increase for 2020 LMIG moved from FY 2020 and \$120k decrease for unused LMIG 2020 moved to FY2022 at year-end.
- \$381k increase for unused 2019 LMIG moved from FY2020.
- \$12k increase for FY 2020 encumbrances.
- \$129k increase for COVID related expenditures.
- \$215k increase for projects closed and moved to Maintenance and Operations.
- \$70k increase for expenditures approved for repairs.
- \$20k increase for unexpected expenditures for the District Attorney.
- \$549k decrease for unused LMIG 2021 moved to FY 2022 at year-end.
- \$33k decrease for Juvenile Court Incentive Grant that came lower than expected.

On the revenue side (not including other funding sources) the change in FY2021 was an increase of \$496,849. Besides the net effect of various minor budget adjustments, the major components of the revenue change are as follows:

- A net increase of \$911,197 in Federal Indirect Reimbursements. An increase of \$929,197 in reimbursements related to CARES and a decrease of \$18,000 in reimbursements from FEMA moved to FY2022.
- A decrease of \$456,570 in grants revenue for 2021 LMIG. The 2021 LMIG program received \$129,985 less funding than originally anticipated and \$326,585 of unearned 2021 LMIG revenue moved to FY2022.
- An increase of \$75,000 in Insurance Reimbursements for vehicle that hit one of the outside walls of the Library.
- A decrease of \$33,338 in Grant revenue. The Juvenile Court received less funding than expected from the Juvenile Justice Incentive Grant Program.

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, 2021, amounts to \$231,952,326 (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, 2021 and 2020.

FAYETTE COUNTY, GEORGIA'S CAPITAL ASSETS (Net of Depreciation)						
General Classification	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Land	\$ 15,411,170	\$ 15,419,902	\$ 20,718,888	\$ 20,718,888	\$ 36,130,058	\$ 36,138,790
Buildings and Structures	47,003,999	45,582,845	24,502,519	25,934,841	71,506,518	71,517,686
Infrastructure	27,231,766	27,908,690	43,951,871	44,792,189	71,183,637	72,700,879
Improvements Other than Buildings	5,629,820	5,403,870	3,415,819	4,137,926	9,045,639	9,541,796
Machinery and Equipment	12,076,492	12,385,624	5,165,431	3,894,979	17,241,923	16,280,603
Construction in Progress	24,102,907	24,731,531	2,741,642	3,203,612	26,844,549	27,935,143
Total Capital Assets	\$ 131,456,153	\$ 131,432,462	\$ 100,496,170	\$ 102,682,435	\$ 231,952,323	\$ 234,114,897

The total decrease in the County’s investment in capital assets for the current fiscal year was \$2,162,571 or (0.92%). This decrease can be broken down into an increase of \$23,961 or 0.02% for the governmental activities and a decrease of \$2,186,265 or (2.13%) for the business-type activities.

Investment in capital assets for Governmental Activities remained somewhat stable as a result of increases in Buildings and Structures being offset by decreases resulting from retirements and disposal of assets in other classifications. Restatement of the FY2020 Construction in Progress figure based on classification errors and reclassification of certain capital projects also impacted the Total 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 \$53,645,000. This total represents a decrease of \$6,725,000 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, 2021 and 2020 is shown in the following table.

FAYETTE COUNTY'S OUTSTANDING REVENUE BOND DEBT						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Revenue Bonds	\$26,590,000	\$29,120,000	\$27,055,000	\$31,250,000	\$53,645,000	\$60,370,000

The \$26,590,000 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 \$27,055,000 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. These outstanding bonds were refunded in July 2021 (FY2022) with a new Series 2021A \$10,798,000 and Series 2021B \$8,101,000. 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 June 2021. In the comment Moody’s states, “The financial position of the county is robust and is aligned with the assigned rating of Aaa.”

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 Water in June of this year. In the comment Moody’s states, “The financial position of Fayette County Water is superlative overall and is strong relative to its Aa2 rating.”

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 3.8 percent in 2022, after it peaked at 14.8 percent in April 2020;
- Gross Domestic Product (GDP) growth rate is expected to rise by 7% in 2021. It is estimated to then drop to a 3.2% growth rate in 2022 and slow further to 2.4% in 2023;
- Inflation will average 2.1 percent in 2022.

These economic factors were taken into consideration when preparing the County’s budget for the 2022 fiscal year.

Next Year’s Budget and Rates

During the current fiscal year, the *Unassigned Fund Balance* in the General Fund increased by \$4,991,501, from \$2,408,850 to \$7,400,351. For the upcoming 2022 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 FY2022 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 2021 and 2022 are shown in the following table. A reduction to the General Fund maintenance and operations millage rate for the 2022 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.

FAYETTE COUNTY'S OUTSTANDING REVENUE BOND DEBT						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Revenue Bonds	\$26,590,000	\$29,120,000	\$27,055,000	\$31,250,000	\$53,645,000	\$60,370,000

For the 2022 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, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Development Authority	Board of Health
ASSETS					
Cash and cash equivalents:					
Unrestricted	\$ 111,127,805	\$ 3,025,380	\$ 114,153,185	\$ 1,210,415	\$ 1,233,090
Restricted	890,902	18,272,921	19,163,823	-	-
Investments	31,463,306	-	31,463,306	-	268,858
Receivables (net of allowance for uncollectibles)	10,181,792	1,471,680	11,653,472	6,943	107,050
Internal balances	2,159,157	(2,159,157)	-	-	-
Inventories	173,648	535,877	709,525	-	-
Prepaid items	286,315	44,005	330,320	4,026	-
Deposits	-	-	-	284,138	-
Capital assets not being depreciated	39,514,077	23,460,533	62,974,610	-	-
Capital assets, net of accumulated depreciation	91,942,077	77,035,639	168,977,716	136,313	19,023
Net OPEB asset	-	-	-	-	107,126
Total assets	<u>287,739,079</u>	<u>121,686,878</u>	<u>409,425,957</u>	<u>1,641,835</u>	<u>1,735,147</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	7,191,843	758,819	7,950,662	-	349,041
Deferred outflows related to OPEB	64,087	5,906	69,993	-	281,423
Deferred charges on bond refunding	<u>1,796,491</u>	<u>827,441</u>	<u>2,623,932</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>9,052,421</u>	<u>1,592,166</u>	<u>10,644,587</u>	<u>-</u>	<u>630,464</u>

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

Fayette County, Georgia
Statement of Net Position
June 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Development Authority	Board of Health
LIABILITIES					
Accounts payable	3,116,511	1,605,307	4,721,818	1,322	4,089
Claims payable	747,071	-	747,071	-	-
Salaries and benefits payable	1,334,173	121,832	1,456,005	5,621	-
Unearned revenue	6,722,455	311,900	7,034,355	5,647	-
Accrued interest payable	44,244	218,265	262,509	-	-
Noncurrent liabilities:				-	-
Due within one year -					
Long-term obligations	3,435,024	4,678,541	8,113,565	-	23,161
Due in more than one year:					
Long-term obligations	26,695,869	24,072,345	50,768,214	-	54,042
Landfill closure and postclosure	-	84,775	84,775	-	-
Net pension liability	12,615,828	1,331,108	13,946,936	-	1,346,215
Total OPEB liability	571,091	52,635	623,726	-	324,970
Total liabilities	<u>55,282,266</u>	<u>32,476,708</u>	<u>87,758,974</u>	<u>12,590</u>	<u>1,752,477</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	4,932,671	520,451	5,453,122	-	-
Deferred inflows related to OPEB	<u>40,803</u>	<u>3,761</u>	<u>44,564</u>	-	<u>339,266</u>
Total deferred inflows of resources	<u>4,973,474</u>	<u>524,212</u>	<u>5,497,686</u>	-	<u>339,266</u>
NET POSITION					
Net investment in capital assets	105,728,396	72,767,039	178,495,435	136,313	19,023
Restricted for:					
Capital projects	66,624,198	-	66,624,198	-	-
Special tax district services	11,985,082	-	11,985,082	-	-
Other purposes	9,024,962	-	9,024,962	-	192,573
Debt service	-	9,195,004	9,195,004	-	-
Renewal and extension	-	13,910,206	13,910,206	-	-
Unrestricted	<u>43,173,122</u>	<u>(5,594,125)</u>	<u>37,578,997</u>	<u>1,492,932</u>	<u>62,272</u>
Total net position	<u>\$ 236,535,760</u>	<u>\$ 90,278,124</u>	<u>\$ 326,813,884</u>	<u>\$ 1,629,245</u>	<u>\$ 273,868</u>

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

Fayette County, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2021

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	\$ 11,405,527	\$ 2,485,777	\$ 4,757,030	\$ -	\$ (4,162,720)	\$ -	\$ (4,162,720)	\$ -	\$ -
Judicial system	8,198,403	2,712,511	587,765	-	(4,898,127)	-	(4,898,127)	-	-
Public safety	42,477,321	5,782,824	2,820,594	2,608	(33,871,295)	-	(33,871,295)	-	-
Public works	32,174,841	4,207	-	4,447,148	(27,723,486)	-	(27,723,486)	-	-
Health and welfare	901,465	39,708	-	1,000,000	138,243	-	138,243	-	-
Culture and recreation	2,828,244	209,116	1,500	-	(2,617,628)	-	(2,617,628)	-	-
Housing and development	1,620,693	904,177	-	-	(716,516)	-	(716,516)	-	-
Interest on long-term debt	798,746	-	-	-	(798,746)	-	(798,746)	-	-
Total governmental activities	<u>100,405,240</u>	<u>12,138,320</u>	<u>8,166,889</u>	<u>5,449,756</u>	<u>(74,650,275)</u>	<u>-</u>	<u>(74,650,275)</u>	<u>-</u>	<u>-</u>
Business-Type Activities:									
Water system	15,932,841	16,030,040	34,500	1,771,985	-	1,903,684	1,903,684	-	-
Solid waste	226,607	73,234	-	-	-	(153,373)	(153,373)	-	-
Total business-type activities	<u>16,159,448</u>	<u>16,103,274</u>	<u>34,500</u>	<u>1,771,985</u>	<u>-</u>	<u>1,750,311</u>	<u>1,750,311</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 116,564,688</u>	<u>\$ 28,241,594</u>	<u>\$ 8,201,389</u>	<u>\$ 7,221,741</u>	<u>(74,650,275)</u>	<u>1,750,311</u>	<u>(72,899,964)</u>	<u>-</u>	<u>-</u>
Component Units:									
Development Authority	\$ 386,541	\$ 5,000	\$ 20,287	\$ -	-	-	-	(361,254)	-
Board of Health	2,697,615	957,093	1,018,854	-	-	-	-	-	(721,668)
Total component units	<u>\$ 3,084,156</u>	<u>\$ 962,093</u>	<u>\$ 1,039,141</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(361,254)</u>	<u>(721,668)</u>
General revenues and transfers									
General revenues:									
Property taxes					49,752,507	-	49,752,507	-	-
Sales taxes					46,168,989	-	46,168,989	-	-
Other taxes					4,595,718	-	4,595,718	-	-
Unrestricted investment earnings					154,435	10,019	164,454	1,672	5,217
Gain on disposal of capital assets					27,838	-	27,838	-	-
Miscellaneous revenues					204,539	19,156	223,695	428,587	-
Transfers					(160,000)	160,000	-	-	-
Total general revenues and transfers					<u>100,744,026</u>	<u>189,175</u>	<u>100,933,201</u>	<u>430,259</u>	<u>5,217</u>
Change in net position					26,093,751	1,939,486	28,033,237	69,005	(716,451)
Net position - beginning - as restated					210,442,009	88,338,638	298,780,647	1,560,240	990,319
Net position - ending					<u>\$ 236,535,760</u>	<u>\$ 90,278,124</u>	<u>\$ 326,813,884</u>	<u>\$ 1,629,245</u>	<u>\$ 273,868</u>

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

Fayette County, Georgia
Balance Sheet
Governmental Funds
June 30, 2021

	General	Fire Services	American Rescue Plan	2017 SPLOST	County-Wide Roads SPLOST	General Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS:								
Cash and cash equivalents	\$ 28,174,980	\$ 8,845,459	\$ 6,704,371	\$ 33,805,650	\$ 2,677,329	\$ 16,318,880	\$ 11,574,335	\$ 108,101,004
Investments	3,598,776	-	-	-	27,864,530	-	-	31,463,306
Receivables, net	3,886,637	198,912	-	3,845,827	-	-	1,246,524	9,177,900
Intergovernmental receivable	140,663	-	-	-	-	-	-	140,663
Due from other funds	2,414,623	-	-	-	-	-	-	2,414,623
Inventories	173,648	-	-	-	-	-	-	173,648
Advances to other funds	1,609,672	-	-	-	-	-	-	1,609,672
Total assets	<u>\$ 39,998,999</u>	<u>\$ 9,044,371</u>	<u>\$ 6,704,371</u>	<u>\$ 37,651,477</u>	<u>\$ 30,541,859</u>	<u>\$ 16,318,880</u>	<u>\$ 12,820,859</u>	<u>\$ 153,080,816</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:								
Liabilities:								
Accounts payable	\$ 1,924,551	\$ 12,019	\$ -	\$ 686,999	\$ 104,283	\$ 295,276	\$ 65,095	\$ 3,088,223
Salary and benefits payable	928,545	264,431	-	-	-	-	138,720	1,331,696
Advances from other funds	-	-	-	1,609,672	-	-	-	1,609,672
Due to other funds	-	250,000	-	-	-	-	5,466	255,466
Unearned revenue	18,084	-	6,704,371	-	-	-	-	6,722,455
Total liabilities	<u>2,871,180</u>	<u>526,450</u>	<u>6,704,371</u>	<u>2,296,671</u>	<u>104,283</u>	<u>295,276</u>	<u>209,281</u>	<u>13,007,512</u>
Deferred inflows of resources -								
Unavailable revenue	<u>104,768</u>	<u>56,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,343</u>	<u>175,896</u>
Fund balances:								
Nonspendable	1,783,320	-	-	-	-	-	-	1,783,320
Restricted	794,914	8,461,136	-	35,354,806	30,437,576	-	12,585,810	87,634,242
Committed	15,681,869	-	-	-	-	16,023,604	11,425	31,716,898
Assigned	11,362,597	-	-	-	-	-	-	11,362,597
Unassigned	7,400,351	-	-	-	-	-	-	7,400,351
Total fund balances	<u>37,023,051</u>	<u>8,461,136</u>	<u>-</u>	<u>35,354,806</u>	<u>30,437,576</u>	<u>16,023,604</u>	<u>12,597,235</u>	<u>139,897,408</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,998,999</u>	<u>\$ 9,044,371</u>	<u>\$ 6,704,371</u>	<u>\$ 37,651,477</u>	<u>\$ 30,541,859</u>	<u>\$ 16,318,880</u>	<u>\$ 12,820,859</u>	<u>\$ 153,080,816</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, 2021

Total fund balances - Governmental Funds \$ 139,897,408

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. 131,456,154

Prepaid expenses are reported on the consumption method and therefore are not reported in the Governmental Funds. 169,862

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. 7,255,930

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. 175,896

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	11,636,605	
Less: Capital assets (included above)	<u>(8,118,056)</u>	3,518,549

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	(26,590,000)	
Deferred charges on refunding	1,796,491	
Compensated absences	(2,939,893)	
Accrued interest	(44,244)	
Net pension liability	(12,615,828)	
Total OPEB liability	<u>(571,091)</u>	(40,964,565)

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. (4,973,474)

Total net position - Governmental Activities \$ 236,535,760

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, 2021

REVENUES:	General	Fire Services	American Rescue Plan	2017 SPLOST	County-Wide Roads SPLOST	General Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
Taxes:								
Property	\$ 36,575,603	\$ 9,623,403	\$ -	\$ -	\$ -	\$ -	\$ 3,761,372	\$ 49,960,378
Sales	15,413,452	-	-	31,222,298	-	-	-	46,635,750
Other	1,013,102	3,575,792	-	-	-	-	6,824	4,595,718
Licenses and permits	916,014	-	-	-	-	-	-	916,014
Intergovernmental	2,633,466	675,239	4,408,098	3,606,402	-	1,000,000	1,826,233	14,149,438
Charges for services	4,319,781	135,224	-	-	-	-	5,100,728	9,555,733
Fines and forfeitures	920,412	-	-	-	-	-	604,090	1,524,502
Investment earnings	108,035	5,526	-	22,376	66,690	5,825	1,627	210,079
Contributions and donations	8,733	-	-	-	-	-	310	9,043
Miscellaneous revenues	135,553	61,845	-	-	-	-	10,591	207,989
Total revenues	<u>62,044,151</u>	<u>14,077,029</u>	<u>4,408,098</u>	<u>34,851,076</u>	<u>66,690</u>	<u>1,005,825</u>	<u>11,311,775</u>	<u>127,764,644</u>
EXPENDITURES:								
Current:								
General government	10,063,147	-	-	-	-	-	-	10,063,147
Judicial system	6,167,661	-	-	-	-	-	932,428	7,100,089
Public safety	21,284,458	10,396,642	-	-	-	-	7,345,294	39,026,394
Public works	7,993,556	-	-	-	-	-	346,981	8,340,537
Health and welfare	890,611	-	-	-	-	-	-	890,611
Culture and recreation	2,327,471	-	-	-	-	-	-	2,327,471
Housing and development	1,560,546	-	-	-	-	-	-	1,560,546
Debt service:								
Principal retirement	2,530,000	-	-	-	-	-	-	2,530,000
Interest and fiscal charges	598,850	-	-	-	-	-	-	598,850
Capital outlay	-	-	-	7,194,319	280,083	4,330,438	-	11,804,840
Intergovernmental	-	-	-	16,088,740	-	-	-	16,088,740
Total expenditures	<u>53,416,300</u>	<u>10,396,642</u>	<u>-</u>	<u>23,283,059</u>	<u>280,083</u>	<u>4,330,438</u>	<u>8,624,703</u>	<u>100,331,225</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,627,851</u>	<u>3,680,387</u>	<u>4,408,098</u>	<u>11,568,017</u>	<u>(213,393)</u>	<u>(3,324,613)</u>	<u>2,687,072</u>	<u>27,433,419</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	1,742,742	2,332,200	-	-	-	8,324,143	772,800	13,171,885
Transfers out	(5,636,116)	(3,627,027)	(4,408,098)	-	-	(239,644)	(1,146,000)	(15,056,885)
Sale of capital assets	505,955	5,060	-	-	-	-	20	511,035
Total other financing sources (uses)	<u>(3,387,419)</u>	<u>(1,289,767)</u>	<u>(4,408,098)</u>	<u>-</u>	<u>-</u>	<u>8,084,499</u>	<u>(373,180)</u>	<u>(1,373,965)</u>
Net change in fund balance	5,240,432	2,390,620	-	11,568,017	(213,393)	4,759,886	2,313,892	26,059,454
Fund balance, beginning of year	<u>31,782,619</u>	<u>6,070,516</u>	<u>-</u>	<u>23,786,789</u>	<u>30,650,969</u>	<u>11,263,718</u>	<u>10,283,343</u>	<u>113,837,954</u>
Fund balance, end of year	<u>\$ 37,023,051</u>	<u>\$ 8,461,136</u>	<u>\$ -</u>	<u>\$ 35,354,806</u>	<u>\$ 30,437,576</u>	<u>\$ 16,023,604</u>	<u>\$ 12,597,235</u>	<u>\$ 139,897,408</u>

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, 2021

Net change in fund balances - total Governmental Funds \$ 26,059,454

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	\$ 7,879,140	
Depreciation expense	<u>(7,017,996)</u>	861,144

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position. (519,369)

Prepaid expenses are reported on the purchases method in Governmental Funds but are reported as consumed in the Statement of Net Position 119,117

Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds. (1,166,913)

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:

Principal payments on bonds	2,530,000	
Amortization of deferred charges	<u>(199,610)</u>	2,330,390

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	114,236	
Change in early termination benefits	57,915	
Change in accrued interest payable	4,210	
Change in pension expense	(1,589,441)	
Change in OPEB expense	<u>28,213</u>	(1,384,867)

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. (205,205)

Change in net position of Governmental Activities \$ 26,093,751

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

Fayette County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund	Total	
		Solid Waste		
ASSETS				
Current assets:				
Cash and cash equivalents:				
Unrestricted	\$ 2,950,137	\$ 75,243	\$ 3,025,380	\$ 2,845,293
Restricted	18,272,921	-	18,272,921	890,902
Cash with fiscal agent	-	-	-	181,508
Accounts receivable, net	1,459,374	12,306	1,471,680	863,229
Inventories	535,877	-	535,877	-
Prepaid items	44,005	-	44,005	116,453
Total current assets	<u>23,262,314</u>	<u>87,549</u>	<u>23,349,863</u>	<u>4,897,385</u>
Noncurrent assets:				
Capital assets:				
Nondepreciable	23,348,680	111,853	23,460,533	-
Depreciable, net	77,009,928	25,711	77,035,639	8,118,056
Total capital assets	<u>100,358,608</u>	<u>137,564</u>	<u>100,496,172</u>	<u>8,118,056</u>
Total assets	<u>123,620,922</u>	<u>225,113</u>	<u>123,846,035</u>	<u>13,015,441</u>
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions	745,290	13,529	758,819	-
Related to OPEB	5,830	76	5,906	-
Deferred charges on refundings	827,441	-	827,441	-
Total deferred outflows of resources	<u>1,578,561</u>	<u>13,605</u>	<u>1,592,166</u>	<u>-</u>

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

Fayette County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund		
		Solid Waste	Total	
LIABILITIES				
Current liabilities:				
Accounts payable	1,597,785	7,522	1,605,307	30,765
Claims payable	-	-	-	747,071
Salaries and benefits payable	119,997	1,835	121,832	-
Due to other funds	2,159,157	-	2,159,157	-
Compensated absences	58,146	395	58,541	-
Unearned revenue	311,900	-	311,900	-
Accrued interest payable	218,265	-	218,265	-
Revenue bonds payable - current	4,620,000	-	4,620,000	-
Total current liabilities	<u>9,085,250</u>	<u>9,752</u>	<u>9,095,002</u>	<u>777,836</u>
Noncurrent liabilities:				
Compensated absences	140,336	2,493	142,829	-
Certificates of participation	-	-	-	601,000
Bonds payable (net of discounts and premiums)	23,929,516	-	23,929,516	-
Landfill closure and postclosure	-	84,775	84,775	-
Net pension liability	1,307,376	23,732	1,331,108	-
Total OPEB liability	51,954	681	52,635	-
	<u>25,429,182</u>	<u>111,681</u>	<u>25,540,863</u>	<u>601,000</u>
Total liabilities	<u>34,514,432</u>	<u>121,433</u>	<u>34,635,865</u>	<u>1,378,836</u>
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	511,172	9,279	520,451	-
Related to OPEB	3,712	49	3,761	-
Total deferred inflows of resources	<u>514,884</u>	<u>9,328</u>	<u>524,212</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	72,629,475	137,564	72,767,039	7,517,056
Restricted for:				
Debt service	9,195,004	-	9,195,004	-
Renewal and construction	13,910,206	-	13,910,206	-
Unrestricted	(5,564,518)	(29,607)	(5,594,125)	4,119,549
Total net position	<u>\$ 90,170,167</u>	<u>\$ 107,957</u>	<u>\$ 90,278,124</u>	<u>\$ 11,636,605</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, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund		
		Solid Waste	Total	
Operating Revenues:				
Charges for sales and services:				
Water sales	\$ 16,030,040	\$ -	\$ 16,030,040	\$ -
Solid waste fees	-	73,234	73,234	-
Other services	-	-	-	10,464,950
Miscellaneous	19,156	-	19,156	-
Total operating revenues	<u>16,049,196</u>	<u>73,234</u>	<u>16,122,430</u>	<u>10,464,950</u>
Operating Expenses:				
Costs of sales and services	5,609,357	210,281	5,819,638	10,351,059
Administration	3,804,582	-	3,804,582	810,774
Depreciation	5,651,765	16,326	5,668,091	1,408,151
Total operating expenses	<u>15,065,704</u>	<u>226,607</u>	<u>15,292,311</u>	<u>12,569,984</u>
Operating income (loss)	<u>983,492</u>	<u>(153,373)</u>	<u>830,119</u>	<u>(2,105,034)</u>
Nonoperating Revenues (Expenses):				
Intergovernmental	34,500	-	34,500	-
Interest income	10,019	-	10,019	33,422
Interest expense	(838,937)	-	(838,937)	(4,496)
Gain (loss) on disposal of capital assets	(25,415)	-	(25,415)	87,942
Other expense	(2,785)	-	(2,785)	-
Total nonoperating revenues (expenses)	<u>(822,618)</u>	<u>-</u>	<u>(822,618)</u>	<u>116,868</u>
Income (loss) before contributions and transfers	160,874	(153,373)	7,501	(1,988,166)
Capital contributions	1,771,985	-	1,771,985	57,961
Transfers in	-	160,000	160,000	1,725,000
Change in net position	1,932,859	6,627	1,939,486	(205,205)
Total net position - beginning	<u>88,237,308</u>	<u>101,330</u>	<u>88,338,638</u>	<u>11,841,810</u>
Total net position - ending	<u>\$ 90,170,167</u>	<u>\$ 107,957</u>	<u>\$ 90,278,124</u>	<u>\$ 11,636,605</u>

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, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water System	Other Enterprise Fund		
		Solid Waste	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 16,048,439	\$ 68,389	\$ 16,116,828	\$ 1,997,884
Receipts from interfund services provided	-	-	-	8,766,594
Payments to vendors and service providers	(2,830,599)	(131,002)	(2,961,601)	(10,803,799)
Payments to employees for salaries	(3,218,897)	(45,069)	(3,263,966)	-
Payments for employee taxes and benefits	(1,059,115)	(14,749)	(1,073,864)	-
Net cash provided (used) by operating activities	<u>8,939,828</u>	<u>(122,431)</u>	<u>8,817,397</u>	<u>(39,321)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in from other funds	-	160,000	160,000	1,725,000
Operating grants	34,500	-	34,500	-
Net cash provided (used) by noncapital financing activities	<u>34,500</u>	<u>160,000</u>	<u>194,500</u>	<u>1,725,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Principal paid on revenue bonds	(4,195,000)	-	(4,195,000)	-
Interest paid on revenue bonds	(975,225)	-	(975,225)	-
Interest paid on certificates of participation	-	-	-	(4,496)
Acquisition and construction of capital assets	(1,745,441)	-	(1,745,441)	(1,101,223)
Proceeds from sale of capital assets	10,183	-	10,183	187,823
Net cash used by capital and related financing activities	<u>(6,905,483)</u>	<u>-</u>	<u>(6,905,483)</u>	<u>(917,896)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	10,019	-	10,019	33,422
Net cash provided by investing activities	<u>10,019</u>	<u>-</u>	<u>10,019</u>	<u>33,422</u>
Net increase (decrease) in cash and cash equivalents	2,078,864	37,569	2,116,433	801,205
Cash and cash equivalents at beginning of year	<u>19,144,194</u>	<u>37,674</u>	<u>19,181,868</u>	<u>3,116,498</u>
Cash and cash equivalents at end of year	<u>\$ 21,223,058</u>	<u>\$ 75,243</u>	<u>\$ 21,298,301</u>	<u>\$ 3,917,703</u>

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, 2021

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water System</u>	<u>Other Enterprise Fund</u>		
		<u>Solid Waste</u>	<u>Total</u>	
Reconciliation of Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 983,492	\$ (153,373)	\$ 830,119	\$ (2,105,034)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	5,651,765	16,326	5,668,091	1,408,151
Decrease (increase) in:				
Accounts receivable	48,169	(4,845)	43,324	299,528
Inventory	(59,081)	-	(59,081)	-
Prepaid items	(38,143)	-	(38,143)	(16,124)
Deferred outflows of resources	14,848	(357)	14,491	
Increase (decrease) in:				
Accounts payable	79,240	(378)	78,862	-
Claims payable	-	-	-	374,158
Due to other funds	2,159,157	-	2,159,157	
Salaries and benefits payable	10,131	375	10,506	-
Compensated absences	(23,603)	(130)	(23,733)	-
Unearned revenue	(13,000)	-	(13,000)	-
Landfill closure & postclosure	-	16,204	16,204	-
Net pension liability	(42,023)	357	(41,666)	-
Total OPEB liability	(3,532)	(26)	(3,558)	-
Deferred inflows of resources	172,408	3,416	175,824	-
Total adjustments	7,956,336	30,942	7,987,278	2,065,713
Net cash provided (used) by operating activities	<u>\$ 8,939,828</u>	<u>\$ (122,431)</u>	<u>\$ 8,817,397</u>	<u>\$ (39,321)</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:

Contributions of capital assets	<u>\$ 1,771,985</u>	<u>\$ -</u>	<u>\$ 1,771,985</u>	<u>\$ 57,961</u>
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The accompanying notes are an integral part of these financial statements.

Fayette County, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 8,354,045
Taxes receivable	2,006,687
Total assets	10,360,732
 LIABILITIES	
Due to others	5,384,060
Uncollected taxes	2,006,687
Total liabilities	7,390,747
 NET POSITION	
Restricted:	
Individuals, organizations and other governments	2,969,985
Total net position	\$ 2,969,985

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

Fayette County, Georgia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2021

	<u>Custodial Funds</u>
ADDITIONS	
Taxes	\$ 216,811,855
Intergovernmental	1,338,281
Fines and fees	16,866,646
Investment earnings	7,944
Total additions	<u>235,024,726</u>
DEDUCTIONS	
Taxes and fees paid to other governments	216,902,683
Other custodial disbursements	17,380,885
Total deductions	<u>234,283,568</u>
Net increase in fiduciary net position	741,158
Net position, beginning of year, as restated	<u>2,228,827</u>
Net position, end of year	<u><u>\$ 2,969,985</u></u>

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, 2021

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, 2021. 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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, 2021, 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, 2021, 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 2021 payments to the ARC from the County amounted to \$132,570. 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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- *American Rescue Plan Fund* – used to account for the proceeds of direct funding through the American Rescue Plan Act (ARPA).
- *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.
- *General Capital Projects Fund* – to account for the acquisition of capital assets or construction of capital projects not being financed by proprietary fund types.

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 32,000 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 and statement of changes in fiduciary net position. The County’s fiduciary funds include custodial funds. Custodial 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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal, ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services provided. The County also recognized as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative charges, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses

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 expensed 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 AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 spent 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. Depreciation is provided on the straight-line method over the following estimated useful lives:

Asset Classification	Years
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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 are 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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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 Custodial 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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, \$5,332,731 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, 2021 is \$5,508,077, the sinking fund balances are \$3,686,927, for a debt service total of \$9,195,004 which is shown as restricted cash in the proprietary funds.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, 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, 2021, the County had no uncollateralized deposits.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, the County's investment in Georgia Fund 1 was rated AAAs 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, 2021

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, 2021

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 the investment portfolio with the external manager with a duration strategy between 1.5 and 2.0 years. 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 \$87,961,563 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>\$87,961,563</u>	36 Day Weighted Average

At June 30, 2021, the County had \$31,463,306 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 \$31,463,306 as of June 30, 2021.

Type of Investment	Rating	Investment Maturities (in Years)				Fair Value
		Less than 1	1-5	6-10	More than 10	
U.S. Treasuries		\$ 939,856	\$ 8,499,469	\$ -	\$ -	\$ 9,439,325
U.S. Government Sponsored Entities		1,929,433	11,067,142	-	-	12,996,575
Mortgage Backed Securities	AA+	12,757	167,992	2,769,697	-	2,950,446
Collateralized Mortgage Obligations	AA+	-	253,527	235,551	-	489,078
Money Market Funds	N/A	5,587,882	-	-	-	5,587,882
		<u>\$ 8,469,928</u>	<u>\$19,988,130</u>	<u>\$ 3,005,248</u>	<u>\$ -</u>	<u>\$31,463,306</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, 2021

NOTE 3 – CASH AND INVESTMENTS

The County has the following recurring financial measurements as of June 30, 2021:

Investment	Level 1	Level 2	Level 3	Fair Value
U.S. Treasuries	\$ -	\$ 9,439,325	\$ -	\$ 9,439,325
U.S. Government Sponsored Entities	-	12,996,575	-	12,996,575
Mortgage Backed Securities	-	2,950,446	-	2,950,446
Collateralized Mortgage Obligations	-	489,078	-	489,078
Money Market Funds	5,587,882	-	-	5,587,882
	<u>\$ 5,587,882</u>	<u>\$25,875,424</u>	<u>\$ -</u>	<u>\$31,463,306</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, 2021, 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	\$ 304,889	\$ 106,867	\$ -	\$ 39,329	\$ -	\$ -	\$ -
Sales taxes	1,364,221	-	2,813,416	-	-	-	-
Interest	6,447	-	-	-	-	-	-
Other receivables	2,282,881	112,993	1,032,411	1,301,002	1,584,374	12,306	863,229
Gross receivables	3,958,438	219,860	3,845,827	1,340,331	1,584,374	12,306	863,229
Less: Allowance for Uncollectibles	(71,801)	(20,948)	-	(93,807)	(125,000)	-	-
Net total receivables	<u>\$ 3,886,637</u>	<u>\$ 198,912</u>	<u>\$ 3,845,827</u>	<u>\$ 1,246,524</u>	<u>\$1,459,374</u>	<u>\$ 12,306</u>	<u>\$ 863,229</u>

At year-end, the Water System had approximately \$798,000 in billed customer receivables. In addition, a receivable of approximately \$787,000 was recorded for services rendered at year-end but not yet billed at June 30, 2021. 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, 2021

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, 2020. 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, 2020, 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, 2021, 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, 2021

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

Governmental Activities	Balance July 01, 2020	Increases	Decreases	Balances June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 15,419,902	\$ 43,038	\$ (51,770)	\$ 15,411,170
Construction in progress	24,731,531	6,570,451	(7,199,075)	24,102,907
Total capital assets, not being depreciated	<u>40,151,433</u>	<u>6,613,489</u>	<u>(7,250,845)</u>	<u>39,514,077</u>
Capital assets being depreciated:				
Buildings and structures	87,153,251	4,328,359	(604,805)	90,876,805
Infrastructure	323,037,196	2,412,696	(77,630)	325,372,262
Improvements	11,701,643	471,033	-	12,172,676
Machinery and equipment	22,724,744	1,352,040	(3,473,078)	20,603,706
Vehicles	17,663,112	1,142,317	(1,258,092)	17,547,337
Total capital assets being depreciated	<u>462,279,946</u>	<u>9,706,445</u>	<u>(5,413,605)</u>	<u>466,572,786</u>
Less accumulated depreciation for:				
Buildings and structures	(41,570,406)	(2,622,188)	319,788	(43,872,806)
Infrastructure	(295,128,506)	(3,016,840)	4,850	(298,140,496)
Improvements	(6,297,773)	(245,083)		(6,542,856)
Machinery and equipment	(17,470,715)	(1,299,561)	3,356,556	(15,413,720)
Vehicles	(10,531,517)	(1,242,475)	1,113,161	(10,660,831)
Total accumulated depreciation	<u>(370,998,917)</u>	<u>(8,426,147)</u>	<u>4,794,355</u>	<u>(374,630,709)</u>
Total capital assets being depreciated, net	<u>91,281,029</u>	<u>1,280,298</u>	<u>(619,250)</u>	<u>91,942,077</u>
Governmental activities capital assets, net	<u>\$ 131,432,462</u>	<u>\$ 7,893,787</u>	<u>\$ (7,870,095)</u>	<u>\$ 131,456,154</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, \$8,118,056 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, 2021

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, 2020	Increases	Decreases	Balances June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 20,718,888	\$ -	\$ -	\$ 20,718,888
Construction in progress	3,203,612	1,920,197	(2,382,164)	2,741,645
Total capital assets, not being depreciated	<u>23,922,500</u>	<u>1,920,197</u>	<u>(2,382,164)</u>	<u>23,460,533</u>
Capital assets being depreciated:				
Buildings and structures	64,775,788	641,259	-	65,417,047
Infrastructure	98,669,749	1,509,867	-	100,179,616
Improvements	17,373,094	-	-	17,373,094
Machinery and equipment	14,213,965	1,828,267	(1,549,319)	14,492,913
Total capital assets being depreciated	<u>195,032,596</u>	<u>3,979,393</u>	<u>(1,549,319)</u>	<u>197,462,670</u>
Less accumulated depreciation for:				
Buildings and structures	(38,840,947)	(2,073,582)	-	(40,914,529)
Infrastructure	(53,877,560)	(2,350,185)	-	(56,227,745)
Improvements	(13,235,168)	(722,106)	-	(13,957,274)
Machinery and equipment	(10,318,986)	(522,218)	1,513,721	(9,327,483)
Total accumulated depreciation	<u>(116,272,661)</u>	<u>(5,668,091)</u>	<u>1,513,721</u>	<u>(120,427,031)</u>
Total capital assets being depreciated, net	<u>78,759,935</u>	<u>(1,688,698)</u>	<u>(35,598)</u>	<u>77,035,639</u>
Governmental activities capital assets, net	<u>\$ 102,682,435</u>	<u>\$ 231,499</u>	<u>\$ (2,417,762)</u>	<u>\$ 100,496,172</u>

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

Governmental Activities:

General Government	\$1,094,423
Judicial System	965,349
Public Safety	2,138,521
Public Works	3,728,072
Health and Welfare	10,854
Culture and Recreation	466,252
Housing and Development	<u>22,676</u>

Total depreciation expense – Governmental Activities \$8,426,147

Business-Type Activities:

Water System	\$5,651,765
Solid Waste	<u>16,326</u>

Total depreciation expense – Business-Type Activities \$5,668,091

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 7 – LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2021:

Governmental Activities	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
Revenue bonds					
Series 2019 refunding bonds*	\$ 29,120,000	\$ -	\$ (2,530,000)	\$ 26,590,000	\$ 2,710,000
Certificates of participation	601,000	-	-	601,000	-
Compensated absences	3,054,129	2,111,326	(2,225,562)	2,939,893	725,024
Early termination benefits	57,915	-	(57,915)	-	-
Governmental Activities noncurrent liabilities	<u>\$ 32,833,044</u>	<u>\$ 2,111,326</u>	<u>\$ (4,813,477)</u>	<u>\$ 30,130,893</u>	<u>\$ 3,435,024</u>

* Direct placement bonds

Business-Type Activities	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
Revenue bonds					
Series 1996A revenue bonds	\$ 35,000	\$ -	\$ (35,000)	\$ -	\$ -
Series 2009 revenue bonds	3,845,000	-	(880,000)	2,965,000	2,965,000
Series 2012A revenue bonds	7,820,000	-	(50,000)	7,770,000	50,000
Series 2012B refunding bonds	3,720,000	-	(2,015,000)	1,705,000	45,000
Series 2016 refunding bonds*	15,830,000	-	(1,215,000)	14,615,000	1,560,000
	<u>31,250,000</u>	<u>-</u>	<u>(4,195,000)</u>	<u>27,055,000</u>	<u>4,620,000</u>
Plus deferred amounts for:					
Bond premiums	1,749,904	-	(255,388)	1,494,516	-
Total revenue bonds	<u>32,999,904</u>	<u>-</u>	<u>(4,450,388)</u>	<u>28,549,516</u>	<u>4,620,000</u>
Compensated absences	225,103	169,267	(193,000)	201,370	58,541
Business-Type Activities noncurrent liabilities	<u>\$ 33,225,007</u>	<u>\$ 169,267</u>	<u>\$ (4,643,388)</u>	<u>\$ 28,750,886</u>	<u>\$ 4,678,541</u>

* Direct placement bonds

Other long-term liabilities of Governmental Activities, such as pension, other post-employment benefits (OPEB) and compensated absences, are typically liquidated by the general fund.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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 2019 Public Facilities Authority Refunding Revenue Bonds (Direct Placement)

In November 2019, 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, 2021

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, 2021.

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, 2021

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. 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. The Series 1996A Bonds were paid off during the current year.

(This page is continued on the subsequent page)

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021

NOTE 7 – LONG-TERM OBLIGATIONS

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2021, are as follows:

Year Ending June 30,	Governmental Activities			
	Revenue Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest
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	2,950,000	307,703	-	28,548
2027-2030	12,440,000	594,563	601,000	57,096
	<u>\$ 26,590,000</u>	<u>\$ 2,730,528</u>	<u>\$ 601,000</u>	<u>\$ 199,836</u>

Year Ending June 30,	Business-Type Activities	
	Revenue Bonds	
	Principal	Interest
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	3,155,000	155,125
2027 - 2030	4,730,000	197,288
	<u>\$ 27,055,000</u>	<u>\$ 2,643,199</u>

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, the County has determined that it has used approximately 16,816 cubic yards out of a total available capacity of approximately 152,271 cubic yards which approximates 11.04% capacity used. Further, estimated costs of closure and post closure care costs as determined at June 30, 2021, amount to approximately \$767,634. Based on the above facts and estimated amounts, the County has recorded a liability of \$84,775. 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 2.00% of average annual compensation multiplied by years of credited service (not to exceed 30).

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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 eighty-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, 2020, the date of the most recent actuarial valuation, the Plan’s membership consisted of the following:

Membership	
Retirees, beneficiaries and disabled receiving benefits	125
Terminated plan participants entitled to but not yet receiving benefits	368
Active employees participating in the plan	443
Total	936

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 2020 was 6.8% 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 \$364,278 for the year ended June 30, 2021 and Employee contributions to the Plan were \$1,228,588.

Net Pension Liability. The County’s net pension liability (asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2020

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 9 – PENSION PLANS

The total pension liability in the January 1, 2020 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	2.5% - 5.5% based on age
Investment rate of return	7.00% per year

Mortality rates were based on the Pub-2010 Amount weighted mortality table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2021. The 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 2021 to reflect the mortality rates in Georgia are in the highest quartile in the nation.

The actuarial assumptions used in the January 1, 2020 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%
	100.00%

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, were as follows:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances at December 31, 2019	<u>\$ 69,221,076</u>	<u>\$ 55,073,063</u>	<u>\$ 14,148,013</u>
Changes for the year:			
Service cost	1,010,496	-	1,010,496
Interest	4,768,033	-	4,768,033
Differences between expected and actual experience	2,672,468	-	2,672,468
Assumption change	117,983	-	117,983
Contributions - county	-	326,826	(326,826)
Contributions - employees	-	1,257,048	(1,257,048)
Net investment income	-	7,591,824	(7,591,824)
Benefit payments	(2,212,637)	(2,212,637)	-
Administrative expense	-	(114,076)	114,076
Other	-	(291,565)	291,565
Net changes	<u>6,356,343</u>	<u>6,557,420</u>	<u>(201,077)</u>
Balances at December 31, 2020	<u>\$ 75,577,419</u>	<u>\$ 61,630,483</u>	<u>\$ 13,946,936</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, 2021

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>\$ 24,278,817</u>	<u>\$ 13,946,936</u>	<u>\$ 5,422,657</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, 2021, the County recognized pension expense of \$2,104,372. At June 30, 2021, 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	\$ 3,945,491	\$ 549,044
Changes of assumptions	3,806,298	-
Net difference between projected and actual earnings on pension plan investments	-	4,904,078
Contributions made subsequent to measurement date	198,873	-
	<u>\$ 7,950,662</u>	<u>\$ 5,453,122</u>

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 9 – PENSION PLANS

The County’s contributions subsequent to the measurement date of \$198,873 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, 2022. 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:	
2022	\$ 1,193,388
2023	1,924,506
2024	(156,709)
2025	(662,518)

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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 and the OPEB Plan does not issue a separate, stand-alone financial report.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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
 Total	 730

Total OPEB Liability

The County's total OPEB liability of \$623,726 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020.

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		1.92%
Healthcare cost trend rates	6.50% 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 1.92%. 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, 2021

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020	\$ 633,662
Changes for the year:	
Service cost	41,737
Interest	15,395
Changes of assumptions	27,055
Benefit payments	(38,869)
Implicit subsidy credit	(55,254)
Net changes	(9,936)
Balance at June 30, 2021	\$ 623,726

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 (0.92 percent) or 1-percentage point higher (2.92 percent) than the current discount rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB liability	\$ 676,579	\$ 623,726	\$ 573,336

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 (5.50%)	Current Trend Rate (6.50%)	1% Increase (7.50%)
Total OPEB liability	\$ 538,187	\$ 623,726	\$ 729,565

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, the County recognized OPEB expense of \$60,348. At June 30, 2021, 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	\$ -	\$ 44,564
Changes of assumptions	69,993	-
	\$ 69,993	\$ 44,564

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:

2022	\$ 3,216
2023	3,216
2024	3,216
2025	3,216
2026	3,216
Thereafter	9,349

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 \$1,622,158 to the defined contribution plan and the County contributed \$649,144 in matching funds. The Board of Commissioners establishes matching percentages.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 12 – FUND BALANCE

The County’s governmental funds show the following fund equity accounts at June 30, 2021:

Fund Balances	General Fund	Fire Services Fund	2017 SPLOST	County-Wide Roads SPLOST	General Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:							
Advances	\$ 1,609,672	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,609,672
Inventories	173,648	-	-	-	-	-	173,648
Restricted:							
Capital projects	733,552	-	35,354,806	30,437,576	-	98,264	66,624,198
E-911 communications	-	-	-	-	-	7,589,647	7,589,647
Court services	61,362	-	-	-	-	1,020,686	1,082,048
Law enforcement	-	-	-	-	-	353,267	353,267
Fire services	-	8,461,136	-	-	-	-	8,461,136
Emergency medical services	-	-	-	-	-	3,407,850	3,407,850
Street lights	-	-	-	-	-	116,096	116,096
Committed:							
Animal control	468,000	-	-	-	-	11,425	479,425
Capital projects	-	-	-	-	16,023,604	-	16,023,604
Stabilization fund	15,213,869	-	-	-	-	-	15,213,869
Assigned:							
Emergencies	2,000,000	-	-	-	-	-	2,000,000
Capital projects	9,362,597	-	-	-	-	-	9,362,597
Unassigned	7,400,351	-	-	-	-	-	7,400,351
	<u>\$37,023,051</u>	<u>\$ 8,461,136</u>	<u>\$35,354,806</u>	<u>\$30,437,576</u>	<u>\$16,023,604</u>	<u>\$12,597,235</u>	<u>\$139,897,408</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 resources in the event that the County’s unassigned fund balanced reached a negative position. To be able to use the funds that are committed for stabilization, the Board of Commissioners must take formal action to release the funds.

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, 2021

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, 2021 are as follows:

	Governmental Activities	Business-Type Activities	Total
Cost of capital assets	\$ 506,086,863	\$ 220,923,203	\$ 727,010,066
Less accumulated depreciation	(374,630,709)	(120,427,031)	(495,057,740)
Book value	131,456,154	100,496,172	231,952,326
Deferred charges on bond refunding	1,796,491	827,441	2,623,932
Less Retainage payable	(333,249)	(7,058)	(340,307)
Less capital related debt	(27,191,000)	(27,055,000)	(54,246,000)
Less unamortized bond premiums	-	(1,494,516)	(1,494,516)
Net investment in capital assets	<u>\$ 105,728,396</u>	<u>\$ 72,767,039</u>	<u>\$ 178,495,435</u>

NOTE 14 – INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2021, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water System Fund	\$ 2,159,157
General Fund	Fire Services Fund	\$ 250,000
General Fund	Nonmajor Governmental Funds	5,466
		<u>\$ 2,414,623</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, 2021 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	2017 SPLOST	<u>\$ 1,609,672</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, 2021

NOTE 14 – INTERFUND BALANCES AND TRANSFERS

Interfund transfers for the fiscal year ended June 30, 2021 are shown in the following table:

Transfer In	Transfer Out	Amount
General Fund	General Capital Projects Fund	\$ 4,636,116
General Fund	Nonmajor Governmental Funds	115,000
General Fund	Solid Waste	160,000
General Fund	Internal Service Funds	725,000
American Rescue Plan Fund	General Fund	1,418,098
American Rescue Plan Fund	Fire Services Fund	2,332,200
American Rescue Plan Fund	Nonmajor Governmental Funds	657,800
Fire Services Fund	General Capital Projects Fund	2,977,027
Fire Services Fund	Internal Service Funds	650,000
General Capital Projects Fund	General Fund	239,644
Nonmajor Governmental Funds	General Fund	85,000
Nonmajor Governmental Funds	General Capital Projects Fund	711,000
Nonmajor Governmental Funds	Internal Service Funds	350,000
		<u>\$ 15,056,885</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.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 15 – RISK MANAGEMENT

The County initiated its Vision reimbursement plan in the 1997 fiscal year. Employees are reimbursed up to \$400 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.

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 \$747,071 reported at June 30, 2021, 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, 2021	\$ 5,376	\$ 483,265	\$ (406,872)	\$ 81,769
Fiscal Year Ended June 30, 2020	8,443	341,848	(344,915)	5,376
Dental and Vision Claims				
Fiscal Year Ended June 30, 2021	2,454	569,422	(568,973)	2,903
Fiscal Year Ended June 30, 2020	1,707	505,983	(505,236)	2,454
Major Medical Claims				
Fiscal Year Ended June 30, 2021	365,083	9,298,372	(9,001,056)	662,399
Fiscal Year Ended June 30, 2020	675,091	7,928,762	(8,238,770)	365,083
Total Claims				
Fiscal Year Ended June 30, 2021	372,913	10,351,059	(9,976,901)	747,071
Fiscal Year Ended June 30, 2020	685,241	8,776,593	(9,088,921)	372,913

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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	General Capital Projects	Non-major Governmental Funds	Total
Total Encumbrances	\$ 13,001	\$ 3,857,246	\$ 135,029	\$ 1,242,373	\$ 12,801	\$ 5,260,450

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 unknown at this time.

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

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, 2021, the County abated property taxes totaling \$202,439.

NOTE 19 – CHANGE IN ACCOUNTING PRINCIPLE

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

	Custodial Funds
Net position, as previously reported	\$ -
Adjustment needed to record beginning net position of the agency funds now reported as custodial funds in accordance with GASB Statement No. 84	2,228,827
Net position, as restated	\$ 2,228,827

Fayette County, Georgia
Notes to the Financial Statements
June 30, 2021

NOTE 20 – RESTATEMENT OF BEGINNING BALANCES

The County has determined that a restatement of the beginning Governmental Activities net position is required to adjust the beginning balance of Construction in Progress (CIP) due to certain capital Projects that were included in CIP in error. This adjustment resulted in a change to the beginning net position for Governmental Activities as follows:

Net position, as previously reported	\$ 211,630,657
Adjustment to beginning construction in progress	<u>(1,188,648)</u>
Net position, as restated	<u><u>\$ 210,442,009</u></u>



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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 47,766,100	\$ 47,766,100	\$ 53,002,157	\$ 5,236,057
Licenses and permits	891,000	891,000	916,014	25,014
Intergovernmental	1,560,534	1,982,383	2,633,466	651,083
Charges for services	3,826,586	3,826,586	4,319,781	493,195
Fines and forfeitures	1,556,000	1,556,000	920,412	(635,588)
Investment earnings	460,000	460,000	108,035	(351,965)
Contributions and donations	28,000	28,000	8,733	(19,267)
Miscellaneous revenues	131,700	206,700	135,553	(71,147)
Total revenues	<u>56,219,920</u>	<u>56,716,769</u>	<u>62,044,151</u>	<u>5,327,382</u>
EXPENDITURES:				
Current:				
General government:				
Commissioners	680,901	684,742	566,535	118,207
Administration	372,021	430,967	430,935	32
Elections	740,512	1,054,988	1,054,895	93
Finance	1,252,452	1,326,110	1,177,734	148,376
Purchasing	286,148	293,503	284,345	9,158
Law department	225,600	225,600	202,469	23,131
Information systems	1,187,910	1,223,868	1,057,001	166,867
Human resources	538,690	550,379	504,442	45,937
Tax commissioner	1,064,697	1,077,549	1,077,482	67
Tax assessor	1,329,530	1,378,356	1,308,865	69,491
Buildings & grounds maintenance	1,763,186	1,843,565	1,817,745	25,820
Engineering office	268,627	268,627	140,413	128,214
Non-departmental/contingency	973,262	478,938	440,286	38,652
Total general government	<u>10,683,536</u>	<u>10,837,192</u>	<u>10,063,147</u>	<u>774,045</u>
Judicial system:				
Judges, court reporter	622,003	622,003	579,908	42,095
Clerk of superior court	1,815,539	1,841,174	1,680,157	161,017
District attorney	364,736	388,932	383,023	5,909
Clerk of state court	347,093	350,049	316,435	33,614
State court solicitor	801,267	810,649	763,478	47,171
State court judge	465,233	467,301	416,130	51,171
Magistrate court	386,135	389,492	380,194	9,298
Probate court	479,376	484,684	477,341	7,343
Juvenile court	385,065	376,192	376,101	91
Public defender	488,652	489,306	489,305	1
Non-departmental	264,732	305,628	305,589	39
Total judicial system	<u>6,419,831</u>	<u>6,525,410</u>	<u>6,167,661</u>	<u>357,749</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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Public safety:				
Sheriff's office	20,192,512	20,397,016	19,292,955	1,104,061
County coroner	154,677	168,297	168,256	41
Animal control	520,128	526,813	470,930	55,883
Emergency management	337,340	345,530	340,841	4,689
Non-departmental	1,002,467	1,092,097	1,011,476	80,621
Total public safety	<u>22,207,124</u>	<u>22,529,753</u>	<u>21,284,458</u>	<u>1,245,295</u>
Public works:				
Public works administration	225,526	231,313	215,962	15,351
Road department	6,032,171	6,595,157	6,594,814	343
Stormwater management	539,422	625,975	611,710	14,265
Fleet maintenance	678,792	687,851	507,743	180,108
Non-departmental	64,370	64,370	63,327	1,043
Total public works	<u>7,540,281</u>	<u>8,204,666</u>	<u>7,993,556</u>	<u>211,110</u>
Health and welfare:				
Physical health	284,029	284,029	283,772	257
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	364,512	3,782
Total health and welfare	<u>894,650</u>	<u>894,650</u>	<u>890,611</u>	<u>4,039</u>
Culture and recreation:				
Recreation	1,475,821	1,489,267	1,228,604	260,663
Library	1,136,120	1,173,301	1,090,241	83,060
Non-departmental	9,176	9,176	8,626	550
Total culture and recreation	<u>2,621,117</u>	<u>2,671,744</u>	<u>2,327,471</u>	<u>344,273</u>
Housing and development:				
County extension	141,740	141,740	119,452	22,288
Georgia forestry commission	3,530	3,530	3,530	-
Permits and inspections	783,976	795,352	727,539	67,813
Planning and zoning	472,701	482,574	465,026	17,548
Development authority	238,250	238,250	237,024	1,226
Non-departmental	8,637	8,637	7,975	662
Total housing and development	<u>1,648,834</u>	<u>1,670,083</u>	<u>1,560,546</u>	<u>109,537</u>

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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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Debt service:				
Principal retirement	2,530,000	2,530,000	2,530,000	-
Interest and fiscal charges	599,380	599,380	598,850	530
Total debt service	<u>3,129,380</u>	<u>3,129,380</u>	<u>3,128,850</u>	<u>530</u>
Total expenditures	<u>55,144,753</u>	<u>56,462,878</u>	<u>53,416,300</u>	<u>3,046,578</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,075,167</u>	<u>253,891</u>	<u>8,627,851</u>	<u>8,373,960</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	85,000	1,786,568	1,742,742	(43,826)
Transfers out	(4,078,018)	(5,636,116)	(5,636,116)	-
Sale of capital assets	40,000	40,000	505,955	465,955
Total other financing sources (uses)	<u>(3,953,018)</u>	<u>(3,809,548)</u>	<u>(3,387,419)</u>	<u>422,129</u>
Net change in fund balance	<u>\$ (2,877,851)</u>	<u>\$ (3,555,657)</u>	5,240,432	<u>\$ 8,796,089</u>
Fund balance, beginning of year			<u>31,782,619</u>	
Fund balance, end of year			<u>\$ 37,023,051</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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes:				
Property	\$ 9,317,350	\$ 9,317,350	\$ 9,623,403	\$ 306,053
Other	3,612,000	3,612,000	3,575,792	(36,208)
Intergovernmental	-	675,239	675,239	-
Charges for services	158,000	158,000	135,224	(22,776)
Investment earnings	90,000	90,000	5,526	(84,474)
Miscellaneous revenues	58,100	58,100	61,845	3,745
	<u>13,235,450</u>	<u>13,910,689</u>	<u>14,077,029</u>	<u>166,340</u>
EXPENDITURES:				
Current -				
Public safety -				
Fire services	10,871,747	10,871,747	10,396,642	475,105
	<u>10,871,747</u>	<u>10,871,747</u>	<u>10,396,642</u>	<u>475,105</u>
Total expenditures	<u>10,871,747</u>	<u>10,871,747</u>	<u>10,396,642</u>	<u>475,105</u>
Excess of revenues over expenditures	<u>2,363,703</u>	<u>3,038,942</u>	<u>3,680,387</u>	<u>641,445</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,332,200	2,332,200	-
Transfers out	(1,294,827)	(3,627,027)	(3,627,027)	-
Sale of capital assets	-	-	5,060	5,060
	<u>(1,294,827)</u>	<u>(1,294,827)</u>	<u>(1,289,767)</u>	<u>5,060</u>
Total other financing sources (uses)	<u>(1,294,827)</u>	<u>(1,294,827)</u>	<u>(1,289,767)</u>	<u>5,060</u>
Net change in fund balance	<u>\$ 1,068,876</u>	<u>\$ 1,744,115</u>	2,390,620	<u>\$ 646,505</u>
Fund balance, beginning of year			<u>6,070,516</u>	
Fund balance, end of year			<u>\$ 8,461,136</u>	

Fayette County, Georgia
Required Supplementary Information
American Rescue Plan Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 4,408,098	\$ 4,408,098	\$ -
 OTHER FINANCING SOURCES (USES):				
Transfers out	-	(4,408,098)	(4,408,098)	-
 Net change in fund balance	\$ -	\$ -	-	\$ -
 Fund balance, beginning of year			-	
 Fund balance, end of year			\$ -	

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability							
Service cost	\$ 1,010,496	\$ 739,084	\$ 777,317	\$ 839,177	\$ 871,824	\$ 868,884	\$ 921,991
Interest	4,768,033	3,456,787	3,307,295	3,155,970	2,964,403	2,508,554	2,386,445
Differences between expected and actual experience	2,672,468	2,361,736	(640,536)	624,490	(606,858)	1,295,636	--
Changes of assumptions	117,983	2,246,912	2,024,365	94,874	1,485,913	2,754,753	--
Plan changes	--	11,938,506	--	--	--	--	--
Benefit payments	(2,212,637)	(1,809,229)	(1,598,046)	(1,828,243)	(1,420,095)	(1,279,559)	(1,040,539)
Net change in total pension liability	<u>6,356,343</u>	<u>18,933,796</u>	<u>3,870,395</u>	<u>2,886,268</u>	<u>3,295,187</u>	<u>6,148,268</u>	<u>2,267,897</u>
Total pension liability-beginning	<u>69,221,076</u>	<u>50,287,280</u>	<u>46,416,885</u>	<u>43,530,617</u>	<u>40,235,430</u>	<u>34,087,162</u>	<u>31,819,265</u>
Total pension liability-ending (a)	<u>\$ 75,577,419</u>	<u>\$ 69,221,076</u>	<u>\$ 50,287,280</u>	<u>\$ 46,416,885</u>	<u>\$ 43,530,617</u>	<u>\$ 40,235,430</u>	<u>\$ 34,087,162</u>
Plan fiduciary net position							
Contributions-employer	\$ 326,826	\$ 326,092	\$ 324,169	\$ 329,454	\$ 337,608	\$ 350,141	\$ 183,425
Contributions-employee	1,257,048	949,627	623,403	633,566	649,252	673,346	2,530,040
Net investment income	7,591,824	9,762,694	(2,288,418)	7,009,364	3,025,678	341,826	2,872,411
Benefit payments	(2,212,637)	(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	(114,076)	(115,123)	(104,069)	(105,683)	(109,805)	(112,787)	(114,168)
Other	(291,565)	(260,990)	(223,992)	(271,560)	(211,152)	(195,463)	(197,640)
Net change in plan fiduciary net position	<u>6,557,420</u>	<u>8,853,071</u>	<u>(3,266,953)</u>	<u>5,830,853</u>	<u>2,271,486</u>	<u>(222,496)</u>	<u>4,056,876</u>
Plan fiduciary net position-beginning	<u>55,073,063</u>	<u>46,219,992</u>	<u>49,486,945</u>	<u>43,656,092</u>	<u>41,384,606</u>	<u>41,607,102</u>	<u>37,550,226</u>
Plan fiduciary net position-ending (b)	<u>\$ 61,630,483</u>	<u>\$ 55,073,063</u>	<u>\$ 46,219,992</u>	<u>\$ 49,486,945</u>	<u>\$ 43,656,092</u>	<u>\$ 41,384,606</u>	<u>\$ 41,607,102</u>
County's net pension liability (assets) - ending (a) - (b)	<u>\$ 13,946,936</u>	<u>\$ 14,148,013</u>	<u>\$ 4,067,288</u>	<u>\$ (3,070,060)</u>	<u>\$ (125,475)</u>	<u>\$ (1,149,176)</u>	<u>\$ (7,519,940)</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	81.55%	79.56%	91.91%	106.61%	100.29%	102.86%	122.06%
Covered payroll	\$ 23,697,945	\$ 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	58.85%	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 Pension Contributions
For the Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,615,240	\$ 687,379	\$ 333,375	\$ 516,742	\$ 341,514	\$ 20,994	\$ 170,313
Contributions in relation to the actuarially determined contribution	<u>326,826</u>	<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>\$ 1,288,414</u>	<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	\$ 24,114,710	\$ 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	1.36%	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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 41,737	\$ 32,789	\$ 29,445	\$ 28,587
Interest	15,395	21,384	25,024	27,521
Differences between expected and actual experience	--	(50,926)	(5,492)	--
Changes of assumptions	27,055	31,763	27,810	--
Benefit payments	(38,869)	(43,891)	(51,286)	(69,692)
Implicit rate subsidy fulfilled	(55,254)	(59,639)	(68,988)	(66,655)
Net change in total OPEB liability	(9,936)	(68,520)	(43,487)	(80,239)
Total OPEB liability - beginning	633,662	702,182	745,669	825,908
Total OPEB liability - ending	<u>\$ 623,726</u>	<u>\$ 633,662</u>	<u>\$ 702,182</u>	<u>\$ 745,669</u>
Covered payroll	\$ 38,040,187	\$ 36,932,220	\$ 33,153,291	\$ 32,596,600
Total OPEB liability as a percentage of covered payroll	1.64%	1.72%	2.12%	2.29%

Notes to the Schedule:

This schedule will present 10 years of information once it's 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 one NonMajor Capital Projects Fund.

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.

**Fayette County, Georgia
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2021**

	Special Revenue Funds						Capital Projects Fund	Totals
	Emergency 911 Services	Street Lights	Emergency Medical Services	Confiscated Assets	Fine Surcharges	Animal Control Sterilization	Unincorporated County Roads SPLOST	
ASSETS:								
Cash and cash equivalents	\$ 7,128,154	\$ 115,467	\$ 2,913,152	\$ 327,271	\$ 979,722	\$ 12,305	\$ 98,264	\$ 11,574,335
Receivables, net	525,294	1,851	596,124	12,688	110,567	-	-	1,246,524
Total assets	<u>\$ 7,653,448</u>	<u>\$ 117,318</u>	<u>\$ 3,509,276</u>	<u>\$ 339,959</u>	<u>\$ 1,090,289</u>	<u>\$ 12,305</u>	<u>\$ 98,264</u>	<u>\$ 12,820,859</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES:								
Liabilities:								
Accounts payable	\$ 3,560	\$ -	\$ 19,324	\$ 1,971	\$ 39,360	\$ 880	\$ -	\$ 65,095
Salary and benefits payable	55,199	-	74,023	-	9,498	-	-	138,720
Due to other funds	-	-	-	5,466	-	-	-	5,466
Total liabilities	<u>58,759</u>	<u>-</u>	<u>93,347</u>	<u>7,437</u>	<u>48,858</u>	<u>880</u>	<u>-</u>	<u>209,281</u>
Deferred inflows of resources - Unearned revenue	5,042	1,222	8,079	-	-	-	-	14,343
Fund balances:								
Restricted for:								
E-911 communications	7,589,647	-	-	-	-	-	-	7,589,647
Court services	-	-	-	-	1,020,686	-	-	1,020,686
Law enforcement	-	-	-	332,522	20,745	-	-	353,267
Emergency medical services	-	-	3,407,850	-	-	-	-	3,407,850
Street lights	-	116,096	-	-	-	-	-	116,096
Capital projects	-	-	-	-	-	-	98,264	98,264
Committed for:								
Animal control	-	-	-	-	-	11,425	-	11,425
Total fund balances	<u>7,589,647</u>	<u>116,096</u>	<u>3,407,850</u>	<u>332,522</u>	<u>1,041,431</u>	<u>11,425</u>	<u>98,264</u>	<u>12,597,235</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 7,653,448</u>	<u>\$ 117,318</u>	<u>\$ 3,509,276</u>	<u>\$ 339,959</u>	<u>\$ 1,090,289</u>	<u>\$ 12,305</u>	<u>\$ 98,264</u>	<u>\$ 12,820,859</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, 2021

	Special Revenue Funds						Capital Projects Fund	Total
	Emergency 911 Services	Street Lights	Emergency Medical Services	Confiscated Assets	Fine Surcharges	Animal Control Sterilization	Unincorporated County Roads SPLOST	
REVENUES:								
Taxes:								
Property	\$ 1,436,565	\$ 399,572	\$ 1,925,235	\$ -	\$ -	\$ -	\$ -	\$ 3,761,372
Other	3,062	-	3,762	-	-	-	-	6,824
Intergovernmental	-	-	1,151,113	-	675,120	-	-	1,826,233
Charges for services	2,981,393	-	2,066,749	-	35,066	17,520	-	5,100,728
Fines and forfeitures	-	-	-	210,507	393,583	-	-	604,090
Investment earnings	1,312	-	224	12	79	-	-	1,627
Contributions and donations	10	-	-	-	300	-	-	310
Miscellaneous	-	9,750	-	64	777	-	-	10,591
Total revenues	<u>4,422,342</u>	<u>409,322</u>	<u>5,147,083</u>	<u>210,583</u>	<u>1,104,925</u>	<u>17,520</u>	<u>-</u>	<u>11,311,775</u>
EXPENDITURES:								
Current:								
Judicial system	-	-	-	-	932,428	-	-	932,428
Public safety	3,377,780	-	3,397,600	224,548	332,471	12,895	-	7,345,294
Public works	-	346,981	-	-	-	-	-	346,981
Total expenditures	<u>3,377,780</u>	<u>346,981</u>	<u>3,397,600</u>	<u>224,548</u>	<u>1,264,899</u>	<u>12,895</u>	<u>-</u>	<u>8,624,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,044,562</u>	<u>62,341</u>	<u>1,749,483</u>	<u>(13,965)</u>	<u>(159,974)</u>	<u>4,625</u>	<u>-</u>	<u>2,687,072</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	-	-	657,800	-	115,000	-	-	772,800
Transfers out	-	(85,000)	(1,061,000)	-	-	-	-	(1,146,000)
Sale of capital assets	20	-	-	-	-	-	-	20
Total other financing sources (uses)	<u>20</u>	<u>(85,000)</u>	<u>(403,200)</u>	<u>-</u>	<u>115,000</u>	<u>-</u>	<u>-</u>	<u>(373,180)</u>
Net change in fund balance	1,044,582	(22,659)	1,346,283	(13,965)	(44,974)	4,625	-	2,313,892
Fund balance, beginning of year	6,545,065	138,755	2,061,567	346,487	1,086,405	6,800	98,264	10,283,343
Fund balance, end of year	<u>\$ 7,589,647</u>	<u>\$ 116,096</u>	<u>\$ 3,407,850</u>	<u>\$ 332,522</u>	<u>\$ 1,041,431</u>	<u>\$ 11,425</u>	<u>\$ 98,264</u>	<u>\$ 12,597,235</u>

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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes:				
Property	\$ 1,401,700	\$ 1,401,700	\$ 1,436,565	\$ 34,865
Other	2,350	2,350	3,062	712
Charges for services	3,100,000	3,100,000	2,981,393	(118,607)
Investment earnings	20,000	20,000	1,312	(18,688)
Contributions and donations	-	-	10	10
Total revenues	<u>4,524,050</u>	<u>4,524,050</u>	<u>4,422,342</u>	<u>(101,708)</u>
EXPENDITURES:				
Current -				
Public safety -				
Emergency 911	3,744,925	3,783,825	3,377,780	406,045
Total expenditures	<u>3,744,925</u>	<u>3,783,825</u>	<u>3,377,780</u>	<u>406,045</u>
OTHER FINANCING SOURCES:				
Sale of capital assets	-	-	20	20
Net change in fund balance	<u>\$ 779,125</u>	<u>\$ 740,225</u>	1,044,582	<u>\$ 304,357</u>
Fund balance, beginning of year			<u>6,545,065</u>	
Fund balance, end of year			<u>\$ 7,589,647</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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes -				
Property	\$ 400,000	\$ 400,000	\$ 399,572	\$ (428)
Miscellaneous	10,000	10,000	9,750	(250)
Total revenue	<u>410,000</u>	<u>410,000</u>	<u>409,322</u>	<u>(678)</u>
EXPENDITURES:				
Current -				
Public works -				
Street lights	<u>346,701</u>	<u>346,981</u>	<u>346,981</u>	<u>-</u>
Total expenditures	<u>346,701</u>	<u>346,981</u>	<u>346,981</u>	<u>-</u>
Excess of revenues over expenditures	63,299	63,019	62,341	(678)
OTHER FINANCING SOURCES:				
Transfers out	<u>(85,000)</u>	<u>(85,000)</u>	<u>(85,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (21,701)</u>	<u>\$ (21,981)</u>	(22,659)	<u>\$ (678)</u>
Fund balance, beginning of year			<u>138,755</u>	
Fund balance, end of year			<u>\$ 116,096</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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$ 1,828,250	\$ 1,828,250	\$ 1,925,235	\$ 96,985
Other	2,100	2,100	3,762	1,662
Intergovernmental	-	1,145,596	1,151,113	5,517
Charges for services	2,070,000	2,070,000	2,066,749	(3,251)
Investment earnings	3,000	3,000	224	(2,776)
	<u>3,903,350</u>	<u>5,048,946</u>	<u>5,147,083</u>	<u>98,137</u>
EXPENDITURES:				
Current -				
Public safety -				
Emergency medical services	3,348,191	3,411,113	3,397,600	13,513
	<u>3,348,191</u>	<u>3,411,113</u>	<u>3,397,600</u>	<u>13,513</u>
Excess of revenues over expenditures	<u>555,159</u>	<u>1,637,833</u>	<u>1,749,483</u>	<u>111,650</u>
OTHER FINANCING SOURCES:				
Transfers in	-	657,800	657,800	-
Transfers out	(403,200)	(1,061,000)	(1,061,000)	-
Total other financing sources (uses)	<u>(403,200)</u>	<u>(403,200)</u>	<u>(403,200)</u>	<u>-</u>
Net change in fund balance	<u>\$ 151,959</u>	<u>\$ 1,234,633</u>	1,346,283	<u>\$ 111,650</u>
Fund balance, beginning of year			<u>2,061,567</u>	
Fund balance, end of year			<u>\$ 3,407,850</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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Fines and forfeitures:				
U. S. Customs	\$ -	\$ 13,390	\$ 13,390	\$ -
Federal	-	177,459	177,460	1
State	-	19,658	19,657	(1)
Investment earnings	-	12	12	-
Miscellaneous	-	62	64	2
Total revenues	-	210,581	210,583	2
EXPENDITURES:				
Current -				
Public safety -				
Sheriff's office:				
U. S. Customs	-	121,459	121,456	3
Federal	-	72,747	72,746	1
State	-	30,349	30,346	3
Total expenditures	-	224,555	224,548	7
Net change in fund balance	\$ -	\$ (13,974)	(13,965)	\$ 9
Fund balance, beginning of year			346,487	
Fund balance, end of year			\$ 332,522	

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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Intergovernmental:				
Jail surcharge	\$ 210,000	\$ 210,000	\$ 138,621	\$ (71,379)
Victims' assistance surcharge	80,000	80,000	65,179	(14,821)
Drug court grant	635,000	355,390	355,390	-
DUI court grant	275,930	118,418	115,930	(2,488)
Charges for services	98,880	98,880	35,066	(63,814)
Fines and forfeitures:				
Jail surcharge	114,000	114,000	98,142	(15,858)
Victims' assistance surcharge	62,000	62,000	39,708	(22,292)
Drug abuse education surcharge	190,000	190,000	141,451	(48,549)
DUI court surcharge	120,000	120,000	71,848	(48,152)
Juvenile court supervision surcharge	6,000	6,000	3,950	(2,050)
Law library surcharge	55,000	55,000	38,484	(16,516)
Investment earnings	-	-	79	79
Contributions and donations	100	100	300	200
Miscellaneous	-	-	777	777
Total revenues	<u>1,846,910</u>	<u>1,409,788</u>	<u>1,104,925</u>	<u>(304,863)</u>
EXPENDITURES:				
Current:				
Judicial system:				
Victims' assistance	154,821	154,821	154,822	(1)
Drug abuse education	716,766	515,222	515,127	95
DUI court	398,044	223,775	223,676	99
Juvenile court supervision	10,539	10,539	-	10,539
Law library	55,000	55,000	38,803	16,197
Public safety -				
Prisoner meals	384,000	384,000	332,471	51,529
Total expenditures	<u>1,719,170</u>	<u>1,343,357</u>	<u>1,264,899</u>	<u>78,458</u>
Excess (deficiency) of revenues over (under) expenditures	127,740	66,431	(159,974)	(226,405)
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>60,000</u>	<u>115,000</u>	<u>115,000</u>	<u>-</u>
Net change in fund balance	<u>\$ 187,740</u>	<u>\$ 181,431</u>	<u>(44,974)</u>	<u>\$ (226,405)</u>
Fund balance, beginning of year			<u>1,086,405</u>	
Fund balance, end of year			<u>\$ 1,041,431</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, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 17,000	\$ 17,000	\$ 17,520	\$ 520
EXPENDITURES:				
Current -				
Public safety	17,000	17,000	12,895	4,105
Net change in fund balance	\$ -	\$ -	4,625	\$ 4,625
Fund balance, beginning of year			6,800	
Fund balance, end of year			\$ 11,425	

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, 2021

	<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	6,416,656	66,690	6,483,346	-
Miscellaneous	15,509	-	15,509	-
Total revenues	<u>76,280,205</u>	<u>66,690</u>	<u>76,346,895</u>	<u>81,100,087</u>
EXPENDITURES:				
Capital outlay -				
Streets and bridges	38,060,227	280,083	38,340,310	73,325,743
Intergovernmental -				
City of Fayetteville	7,774,106	-	7,774,106	7,774,344
Total expenditures	<u>45,834,333</u>	<u>280,083</u>	<u>46,114,416</u>	<u>81,100,087</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,445,872</u>	<u>(213,393)</u>	<u>30,232,479</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>\$ 30,650,969</u>	<u>(213,393)</u>	<u>\$ 30,437,576</u>	<u>\$ -</u>
Fund balance, beginning of year		<u>30,650,969</u>		
Fund balance, end of year		<u>\$ 30,437,576</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, 2021

	<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, 2021

	<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)	\$ 78,485,584	\$ 31,222,298	\$ 109,707,882	\$ 141,014,157
Intergovernmental -				
Grants	1,801,427	3,606,402	5,407,829	-
Investment earnings	743,439	22,376	765,815	-
Miscellaneous	765	-	765	-
Total revenues	<u>81,031,215</u>	<u>34,851,076</u>	<u>115,882,291</u>	<u>141,014,157</u>
EXPENDITURES:				
Capital outlay -				
Stormwater projects	9,090,176	1,256,065	10,346,241	23,741,641
Transportation projects	3,023,844	5,525,935	8,549,779	19,520,353
Public safety emergency services	3,822,135	383,344	4,205,479	18,211,536
Fire and emergency services	3,027,057	28,975	3,056,032	2,950,000
Intergovernmental:				
Town of Brooks	366,488	146,164	512,652	693,791
City of Fayetteville	11,145,076	4,444,932	15,590,008	21,098,538
City of Peachtree City	24,020,536	9,579,984	33,600,520	45,472,835
Town of Tyrone	4,808,278	1,917,660	6,725,938	9,102,463
Town of Woolsey	223,000	-	223,000	223,000
Total expenditures	<u>59,526,590</u>	<u>23,283,059</u>	<u>82,809,649</u>	<u>141,014,157</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,504,625</u>	<u>11,568,017</u>	<u>33,072,642</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>\$ 23,786,789</u>	11,568,017	<u>\$ 35,354,806</u>	<u>\$ -</u>
Fund balance, beginning of year		<u>23,786,789</u>		
Fund balance, end of year		<u>\$ 35,354,806</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/Equipment 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, 2021

ASSETS	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
Current assets:					
Unrestricted cash	\$ 157,642	\$ 24,384	\$ 455,916	\$ 2,207,351	\$ 2,845,293
Restricted cash	-	-	-	890,902	890,902
Cash with fiscal agent	-	-	181,508	-	181,508
Accounts receivable	-	65	847,454	15,710	863,229
Prepaid items	116,453	-	-	-	116,453
Total current assets	274,095	24,449	1,484,878	3,113,963	4,897,385
Noncurrent assets -					
Capital assets -					
Depreciable, net	-	-	-	8,118,056	8,118,056
Total assets	274,095	24,449	1,484,878	11,232,019	13,015,441
LIABILITIES					
Current liabilities:					
Accounts payable	-	-	-	30,765	30,765
Claims payable	81,769	2,903	662,399	-	747,071
Total current liabilities	81,769	2,903	662,399	30,765	777,836
Noncurrent liabilities -					
Certificates of participation	-	-	-	601,000	601,000
Total noncurrent liabilities	-	-	-	601,000	601,000
Total liabilities	81,769	2,903	662,399	631,765	1,378,836
NET POSITION					
Net investment in capital assets	-	-	-	7,517,056	7,517,056
Unrestricted	192,326	21,546	822,479	3,083,198	4,119,549
Total net position	\$ 192,326	\$ 21,546	\$ 822,479	\$ 10,600,254	\$ 11,636,605

Fayette County, Georgia
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
Operating Revenues:					
Charges for sales and services	\$ 195,000	\$ 537,032	\$ 9,732,918	\$ -	\$ 10,464,950
Total operating revenues	<u>195,000</u>	<u>537,032</u>	<u>9,732,918</u>	<u>-</u>	<u>10,464,950</u>
Operating Expenses:					
Costs of sales and services	483,265	569,422	9,298,372	-	10,351,059
Administration	15,000	-	795,774	-	810,774
Depreciation	-	-	-	1,408,151	1,408,151
Total operating expenses	<u>498,265</u>	<u>569,422</u>	<u>10,094,146</u>	<u>1,408,151</u>	<u>12,569,984</u>
Operating income (loss)	<u>(303,265)</u>	<u>(32,390)</u>	<u>(361,228)</u>	<u>(1,408,151)</u>	<u>(2,105,034)</u>
Nonoperating Revenues (Expenses):					
Interest income	-	-	-	33,422	33,422
Interest expense	-	-	-	(4,496)	(4,496)
Gain on disposal of capital assets	-	-	-	87,942	87,942
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,868</u>	<u>116,868</u>
Income (loss) before contributions and transfers	<u>(303,265)</u>	<u>(32,390)</u>	<u>(361,228)</u>	<u>(1,291,283)</u>	<u>(1,988,166)</u>
Other Financing Sources (Uses)					
Capital contributions	-	-	-	57,961	57,961
Transfers in	-	-	-	1,725,000	1,725,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,782,961</u>	<u>1,782,961</u>
Change in net position	<u>(303,265)</u>	<u>(32,390)</u>	<u>(361,228)</u>	<u>491,678</u>	<u>(205,205)</u>
Total net position - beginning	<u>495,591</u>	<u>53,936</u>	<u>1,183,707</u>	<u>10,108,576</u>	<u>11,841,810</u>
Total net position - ending	<u>\$ 192,326</u>	<u>\$ 21,546</u>	<u>\$ 822,479</u>	<u>\$ 10,600,254</u>	<u>\$ 11,636,605</u>

Fayette County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$ -	\$ 139,909	\$ 1,857,975	\$ -	\$ 1,997,884
Receipts from interfund services provided	195,000	436,332	8,150,972	(15,710)	8,766,594
Payments to suppliers	<u>(437,996)</u>	<u>(568,973)</u>	<u>(9,796,830)</u>	<u>-</u>	<u>(10,803,799)</u>
Net cash provided (used) by operating activities	<u>(242,996)</u>	<u>7,268</u>	<u>212,117</u>	<u>(15,710)</u>	<u>(39,321)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,725,000</u>	<u>1,725,000</u>
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,725,000</u>	<u>1,725,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Interest paid on certificates of participation	-	-	-	(4,496)	(4,496)
Purchase of capital assets	-	-	-	(1,101,223)	(1,101,223)
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,823</u>	<u>187,823</u>
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(917,896)</u>	<u>(917,896)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,422</u>	<u>33,422</u>
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,422</u>	<u>33,422</u>
Net increase (decrease) in cash and cash equivalents	(242,996)	7,268	212,117	824,816	801,205
Cash and cash equivalents at beginning of year	<u>400,638</u>	<u>17,116</u>	<u>425,307</u>	<u>2,273,437</u>	<u>3,116,498</u>
Cash and cash equivalents at end of year	<u>\$ 157,642</u>	<u>\$ 24,384</u>	<u>\$ 637,424</u>	<u>\$ 3,098,253</u>	<u>\$ 3,917,703</u>

Fayette County, Georgia
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	Self-Insurance Funds			Vehicle/ Equipment Replacement	Total
	Workers' Compensation	Dental And Vision	Major Medical		
Reconciliation of Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:					
Operating income (loss)	\$ (303,265)	\$ (32,390)	\$ (361,228)	\$ (1,408,151)	\$ (2,105,034)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	-	-	-	1,408,151	1,408,151
Decrease (increase) in assets:					
Accounts receivable	-	39,209	276,029	(15,710)	299,528
Prepaid items	(16,124)	-	-	-	(16,124)
Increase (decrease) in liabilities:					
Claims payable	76,393	449	297,316	-	374,158
Total adjustments	<u>60,269</u>	<u>39,658</u>	<u>573,345</u>	<u>1,392,441</u>	<u>2,065,713</u>
Net cash provided (used) by operating activities	<u>\$ (242,996)</u>	<u>\$ 7,268</u>	<u>\$ 212,117</u>	<u>\$ (15,710)</u>	<u>\$ (39,321)</u>
Schedule of non-cash capital and related financing activities:					
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,961</u>	<u>\$ 57,961</u>



FIDUCIARY FUNDS

Fayette County, Georgia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2021

	Tax Commissioner	Sheriff	Clerk of Superior Court	State Court	Magistrate Court	Juvenile Court	Probate Court	Griffin Judicial Circuit	Totals
ASSETS:									
Cash and cash equivalents	\$ 3,601,237	\$ 389,645	\$ 3,087,971	\$ 631,076	\$ 186,811	\$ 6,459	\$ 52,760	\$ 398,086	\$ 8,354,045
Taxes receivable	<u>2,006,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,006,687</u>
Total assets	<u><u>5,607,924</u></u>	<u><u>389,645</u></u>	<u><u>3,087,971</u></u>	<u><u>631,076</u></u>	<u><u>186,811</u></u>	<u><u>6,459</u></u>	<u><u>52,760</u></u>	<u><u>398,086</u></u>	<u><u>10,360,732</u></u>
LIABILITIES:									
Due to others	3,350,406	75,474	1,674,677	163,080	47,039	3,188	52,760	17,436	5,384,060
Uncollected taxes	<u>2,006,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,006,687</u>
Total liabilities	<u><u>5,357,093</u></u>	<u><u>75,474</u></u>	<u><u>1,674,677</u></u>	<u><u>163,080</u></u>	<u><u>47,039</u></u>	<u><u>3,188</u></u>	<u><u>52,760</u></u>	<u><u>17,436</u></u>	<u><u>7,390,747</u></u>
NET POSITION:									
Restricted:									
Individuals, organizations and other governments	<u>250,831</u>	<u>314,171</u>	<u>1,413,294</u>	<u>467,996</u>	<u>139,772</u>	<u>3,271</u>	<u>-</u>	<u>380,650</u>	<u>2,969,985</u>
Total net position	<u><u>\$ 250,831</u></u>	<u><u>\$ 314,171</u></u>	<u><u>\$ 1,413,294</u></u>	<u><u>\$ 467,996</u></u>	<u><u>\$ 139,772</u></u>	<u><u>\$ 3,271</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 380,650</u></u>	<u><u>\$ 2,969,985</u></u>

Fayette County, Georgia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2021

	Tax Commissioner	Sheriff	Clerk of Superior Court	State Court	Magistrate Court	Juvenile Court	Probate Court	Griffin Judicial Circuit	Totals
ADDITIONS:									
Taxes	\$ 216,811,855	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,811,855
Intergovernmental	-	-	-	-	-	-	-	1,338,281	1,338,281
Fines and fees	-	655,977	13,522,832	1,257,442	502,742	57,549	870,104	-	16,866,646
Investment earnings	-	233	5,673	1,377	505	-	156	-	7,944
Total additions	<u>216,811,855</u>	<u>656,210</u>	<u>13,528,505</u>	<u>1,258,819</u>	<u>503,247</u>	<u>57,549</u>	<u>870,260</u>	<u>1,338,281</u>	<u>235,024,726</u>
DEDUCTIONS:									
Taxes and fees paid to other governments	216,902,683	-	-	-	-	-	-	-	216,902,683
Other custodial disbursements	-	589,010	12,990,105	1,221,285	454,714	55,284	870,260	1,200,227	17,380,885
Total deductions	<u>216,902,683</u>	<u>589,010</u>	<u>12,990,105</u>	<u>1,221,285</u>	<u>454,714</u>	<u>55,284</u>	<u>870,260</u>	<u>1,200,227</u>	<u>234,283,568</u>
Net increase (decrease) in fiduciary net position	<u>(90,828)</u>	<u>67,200</u>	<u>538,400</u>	<u>37,534</u>	<u>48,533</u>	<u>2,265</u>	<u>-</u>	<u>138,054</u>	<u>741,158</u>
Net position, beginning of year, as restated	<u>341,659</u>	<u>246,971</u>	<u>874,894</u>	<u>430,462</u>	<u>91,239</u>	<u>1,006</u>	<u>-</u>	<u>242,596</u>	<u>2,228,827</u>
Net position, end of year	<u>\$ 250,831</u>	<u>\$ 314,171</u>	<u>\$ 1,413,294</u>	<u>\$ 467,996</u>	<u>\$ 139,772</u>	<u>\$ 3,271</u>	<u>\$ -</u>	<u>\$ 380,650</u>	<u>\$ 2,969,985</u>

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, 2021

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, 2021

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	<u>16,780,767</u>	<u>16,780,767</u>	<u>14,693,369</u>	<u>-</u>	<u>14,693,369</u>
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	<u>17,976,413</u>	<u>17,976,413</u>	<u>15,156,600</u>	<u>-</u>	<u>15,156,600</u>
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	\$ 7,102,473	\$ 109,990	\$ 7,212,463
Intersections	3,657,400	3,657,400	1,543,456	-	1,543,456
Roadways	60,201,443	60,201,443	28,641,048	170,093	28,811,141
Streetscapes / paths	5,796,900	5,796,900	773,297	-	773,297
Total county-wide projects	<u>73,325,743</u>	<u>73,325,743</u>	<u>38,060,274</u>	<u>280,083</u>	<u>38,340,357</u>
Proceeds distributed to municipalities for projects - City of Fayetteville	<u>7,774,344</u>	<u>7,774,344</u>	<u>7,774,060</u>	<u>-</u>	<u>7,774,060</u>
Total municipalities and county-wide county projects - by jurisdiction	<u>\$ 81,100,087</u>	<u>\$ 81,100,087</u>	<u>\$ 45,834,334</u>	<u>\$ 280,083</u>	<u>\$ 46,114,417</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, 2021

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, 2021

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	\$ 9,090,176	\$ 1,256,065	\$ 10,346,241
Transportation	19,520,353	19,520,353	3,023,844	5,525,935	8,549,779
Public safety emergency services	18,211,536	18,211,536	3,822,135	383,344	4,205,479
Fire and emergency services	2,950,000	2,950,000	3,027,057	28,975	3,056,032
Total unincorporated county projects	<u>64,423,530</u>	<u>64,955,252</u>	<u>18,963,212</u>	<u>7,194,319</u>	<u>26,157,531</u>
Proceeds distributed to municipalities for projects:					
Town of Brooks	693,791	693,791	366,488	146,164	512,652
City of Fayetteville	21,098,538	21,098,538	11,145,076	4,444,932	15,590,008
City of Peachtree City	45,472,835	45,472,835	24,020,536	9,579,984	33,600,520
Town of Tyrone	9,102,463	9,102,463	4,808,278	1,917,660	6,725,938
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>40,563,378</u>	<u>16,088,740</u>	<u>56,652,118</u>
Total municipalities and unincorporated county projects - by jurisdiction	<u>\$ 141,014,157</u>	<u>\$ 141,545,879</u>	<u>\$ 59,526,590</u>	<u>\$ 23,283,059</u>	<u>\$ 82,809,649</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.

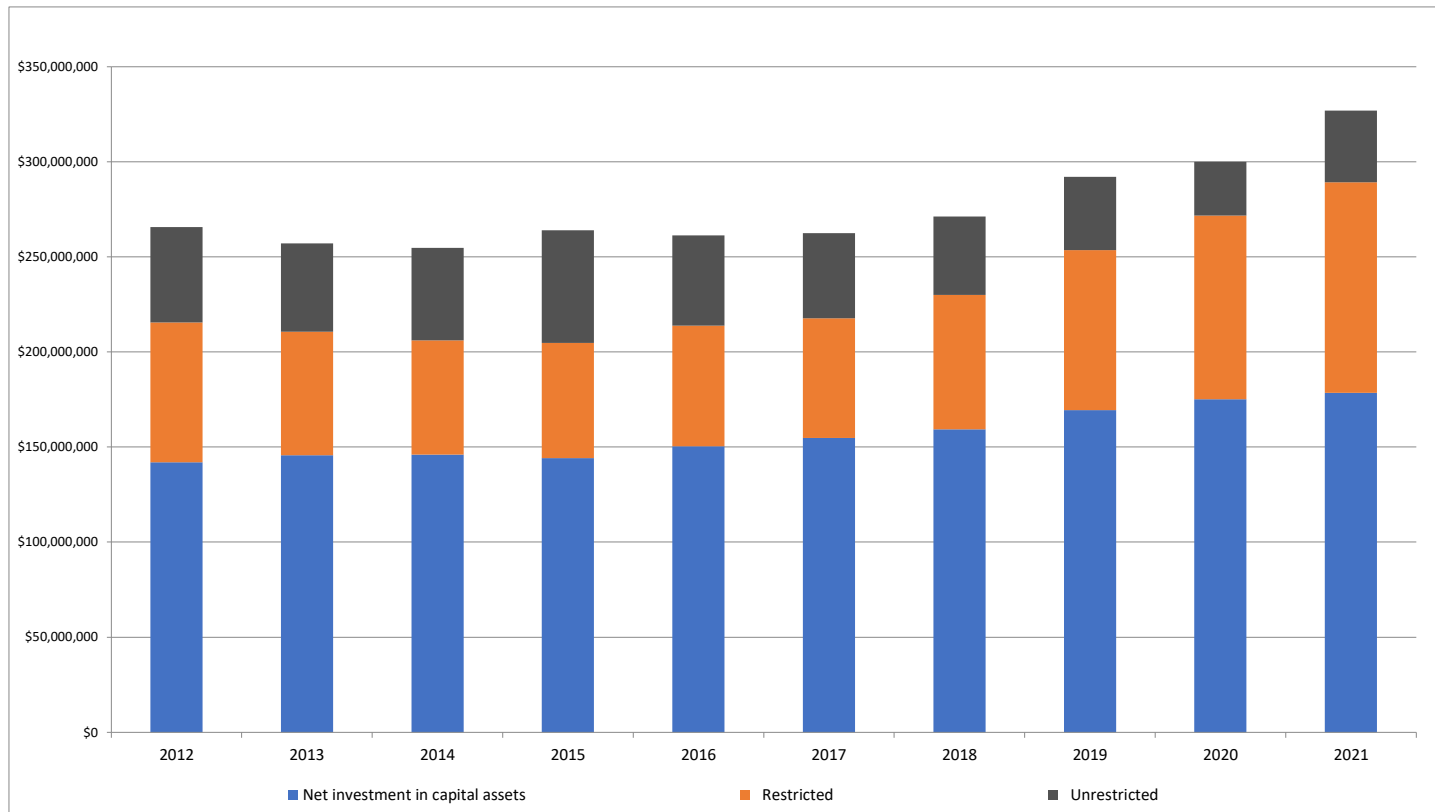
Section Contents	Page
<i>Financial Trends:</i> These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.	122
<i>Revenue Capacity:</i> These schedules contain information to help the reader assess the Government's 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.	128
<i>Debt Capacity:</i> 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.	132
<i>Demographic and Economic Information:</i> 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.	136
<i>Operating Information:</i> 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.	138

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)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 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	\$ 105,728,396
Restricted	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	87,634,242
Unrestricted	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	43,173,122
Total Governmental Activities Net Position	\$ 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	\$ 236,535,760
Business-Type Activities										
Net investment in capital assets	\$ 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	\$ 72,767,039
Restricted	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	23,105,210
Unrestricted	4,165,159	3,248,845	5,178,022	10,285,800	2,260,384	1,236,940	(1,646,015)	(2,837,438)	(4,857,792)	(5,594,125)
Total Business-Type Activities Net Position	\$ 79,448,524	\$ 80,359,005	\$ 81,075,168	\$ 82,380,120	\$ 84,012,600	\$ 87,853,210	\$ 85,097,284	\$ 86,882,285	\$ 88,338,638	\$ 90,278,124
Primary Government										
Net investment in capital assets	\$ 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	\$ 178,495,435
Restricted	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	110,739,452
Unrestricted	50,174,841	46,398,957	48,616,879	59,246,732	47,508,082	44,826,181	41,166,491	38,542,289	28,324,230	37,578,997
Total Primary Government Net Position	\$ 265,658,463	\$ 257,045,720	\$ 254,781,484	\$ 263,915,069	\$ 261,248,242	\$ 262,503,034	\$ 271,161,677	\$ 292,128,193	\$ 299,969,295	\$ 326,813,884

Total Primary Government Net Position



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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities:										
General Government	\$ 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	\$ 11,405,527
Judicial System	5,570,703	6,530,318	5,974,701	6,230,201	6,895,680	6,864,937	7,249,775	7,459,103	8,753,462	8,198,403
Public Safety	35,486,701	36,652,065	35,118,613	33,212,515	35,986,411	37,771,204	38,921,791	39,066,557	49,080,107	42,477,321
Public Works	5,109,741	10,336,908	7,921,320	9,515,157	10,140,891	14,141,638	23,756,478	23,533,884	26,035,673	32,174,841
Health and Welfare	765,345	759,250	826,969	824,642	787,302	800,988	850,264	854,317	878,699	901,465
Culture and Recreation	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	2,828,244
Housing and Development	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	1,620,693
Interest on Long-Term Debt	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	785,748
Total Governmental Activities Expenses	\$ 66,753,942	\$ 68,139,203	\$ 64,734,080	\$ 63,056,185	\$ 68,700,483	\$ 73,891,752	\$ 85,885,179	\$ 86,465,817	\$ 102,473,261	\$ 100,392,242
Business-Type Activities										
Water System	\$ 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	\$ 15,932,841
Solid Waste	333,225	249,551	348,225	336,787	208,054	157,533	243,983	310,271	271,934	226,607
Stormwater Utility	187,116	393,644	89,659	59,945	72,446	57,654	285,093	-	-	-
Total Business-Type Activities	\$ 14,953,115	\$ 14,500,136	\$ 15,042,625	\$ 15,898,477	\$ 15,901,048	\$ 16,096,177	\$ 18,516,550	\$ 16,217,233	\$ 17,926,012	\$ 16,159,448
Total Primary Government Expenses	\$ 81,707,057	\$ 82,639,339	\$ 79,776,705	\$ 78,954,662	\$ 84,601,531	\$ 89,987,929	\$ 104,401,729	\$ 102,683,050	\$ 120,399,273	\$ 116,551,690
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	\$ 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	\$ 2,485,777
Judicial System	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	2,712,511
Public Safety	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	5,782,824
Public Works	7,576	-	1,245	7,927	4,759	5,378	7,093	6,130	7,410	4,207
Health and Welfare	-	-	-	-	283,493	74,826	69,029	80,281	54,097	39,708
Culture and Recreation	240,857	57,774	55,422	237,655	286,240	274,789	299,717	295,113	200,749	209,116
Housing and Development	196,713	9,250	8,022	980,493	998,045	966,040	953,394	784,272	738,352	904,177
Operating Grants and Contributions	947,402	287,451	486,585	453,506	943,367	952,997	1,068,044	974,425	1,171,491	8,166,889
Capital Grants and Contributions	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	5,449,756
Total Governmental Activities Program Revenues	\$ 9,498,981	\$ 10,380,435	\$ 13,092,290	\$ 13,512,020	\$ 13,719,011	\$ 15,001,418	\$ 15,009,646	\$ 16,330,933	\$ 16,249,664	\$ 25,754,965
Business-Type Activities:										
Charges for Services:										
Water System	\$ 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	\$ 16,030,040
Solid Waste	132,095	115,337	80,878	66,733	70,010	73,977	71,877	76,498	80,614	73,234
Stormwater Utility	300,333	148,431	759,663	607,427	614,053	681,199	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	34,500
Capital Grants and Contributions	116,920	332,659	776,055	167,928	1,656,881	3,521,882	1,242,681	1,369,102	1,607,295	1,771,985
Total Business-Type Activities Program Revenues	\$ 15,120,214	\$ 14,586,316	\$ 15,291,892	\$ 16,113,825	\$ 18,187,934	\$ 21,239,800	\$ 17,246,404	\$ 17,561,319	\$ 19,067,012	\$ 17,909,759
Total Primary Government Program Revenues	\$ 24,619,195	\$ 24,966,751	\$ 28,384,182	\$ 29,625,845	\$ 31,906,945	\$ 36,241,218	\$ 32,256,050	\$ 33,892,252	\$ 35,316,676	\$ 43,664,724
Net (Expenses) Revenues										
Governmental Activities	\$ (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)	\$ (74,637,277)
Business-Type Activities	167,099	86,180	249,267	215,348	2,286,886	5,143,623	(1,270,146)	1,344,086	1,141,000	1,750,311
Total Primary Government Net Expenses	\$ (57,087,862)	\$ (57,672,588)	\$ (51,392,523)	\$ (49,328,817)	\$ (52,694,586)	\$ (53,746,711)	\$ (72,145,679)	\$ (68,790,798)	\$ (85,082,597)	\$ (72,886,966)

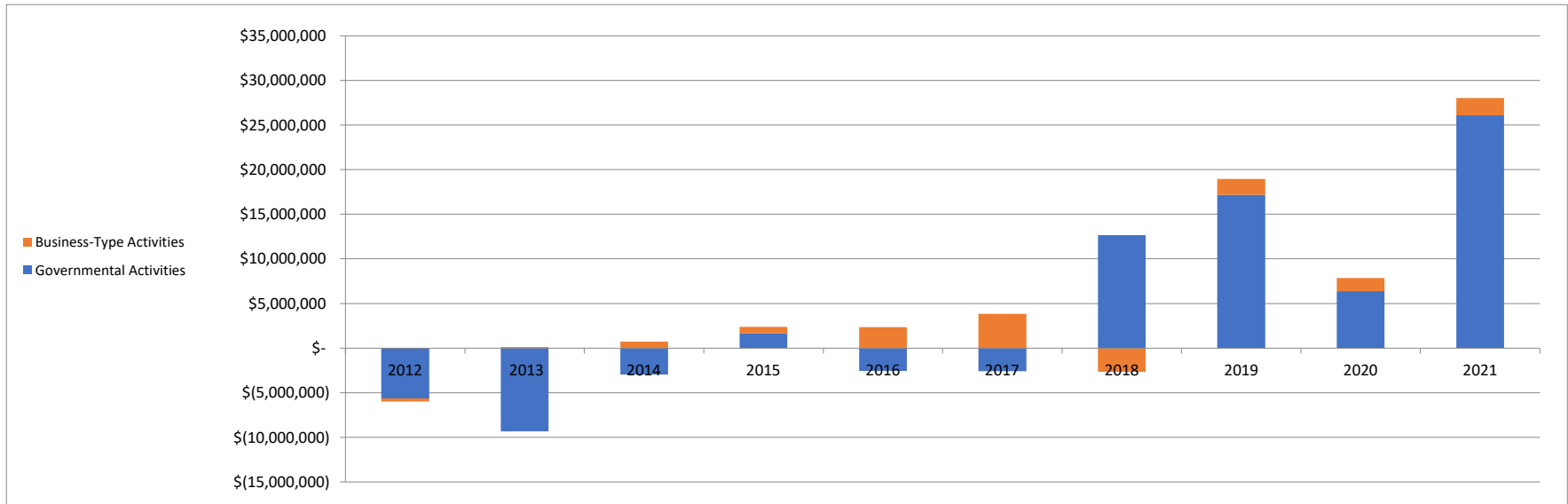
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**Fayette County, Georgia
Changes in Net Position**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 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	\$ 49,752,507
Sales Taxes	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	46,168,989
Other Taxes	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	4,595,718
Special Purpose Local Option Sales Taxes	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	-	-	-	310,723	-	504,464	29,057	-	62,939	27,838
Unrestricted Investment Earnings	905,075	97,882	442,146	313,394	452,737	241,921	351,280	1,368,932	1,230,907	141,437
Miscellaneous	834,182	287,887	337,545	845,587	287,798	293,109	290,604	447,105	224,942	204,539
Transfers	539,650	-	(296,501)	(347,083)	(41,428)	1,394,969	1,540,034	-	(100,000)	(160,000)
Total Governmental Activities	\$ 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	\$ 100,731,028
Business-Type Activities:										
Gain on Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ (1,425)	\$ 32,010	\$ (10,058)	\$ 5,065	\$ -	\$ -
Unrestricted Investment Earnings	10,561	15,089	10,489	13,551	19,120	59,946	172,097	327,590	226,007	10,019
Miscellaneous	-	20,868	159,906	129,511	-	-	-	108,260	-	19,156
Transfers	(539,650)	-	296,501	347,083	41,428	(1,394,969)	(1,540,034)	-	100,000	160,000
Total Business-Type Activities	\$ (529,089)	\$ 35,957	\$ 466,896	\$ 490,145	\$ 59,123	\$ (1,303,013)	\$ (1,377,995)	\$ 440,915	\$ 326,007	\$ 189,175
Total Primary Government	\$ 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	\$ 100,920,203
Changes in Net Position										
Governmental Activities	\$ (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	\$ 26,093,751
Business-Type Activities	\$ (361,990)	\$ 122,137	\$ 716,163	\$ 705,493	\$ 2,346,009	\$ 3,840,610	\$ (2,648,141)	\$ 1,785,001	\$ 1,467,007	\$ 1,939,486
Total Primary Government	\$ (5,990,085)	\$ (9,223,785)	\$ (2,264,236)	\$ 2,365,010	\$ (196,176)	\$ 1,254,792	\$ 9,995,713	\$ 18,966,516	\$ 7,851,756	\$ 28,033,237
	(1)	(1)	(1)							

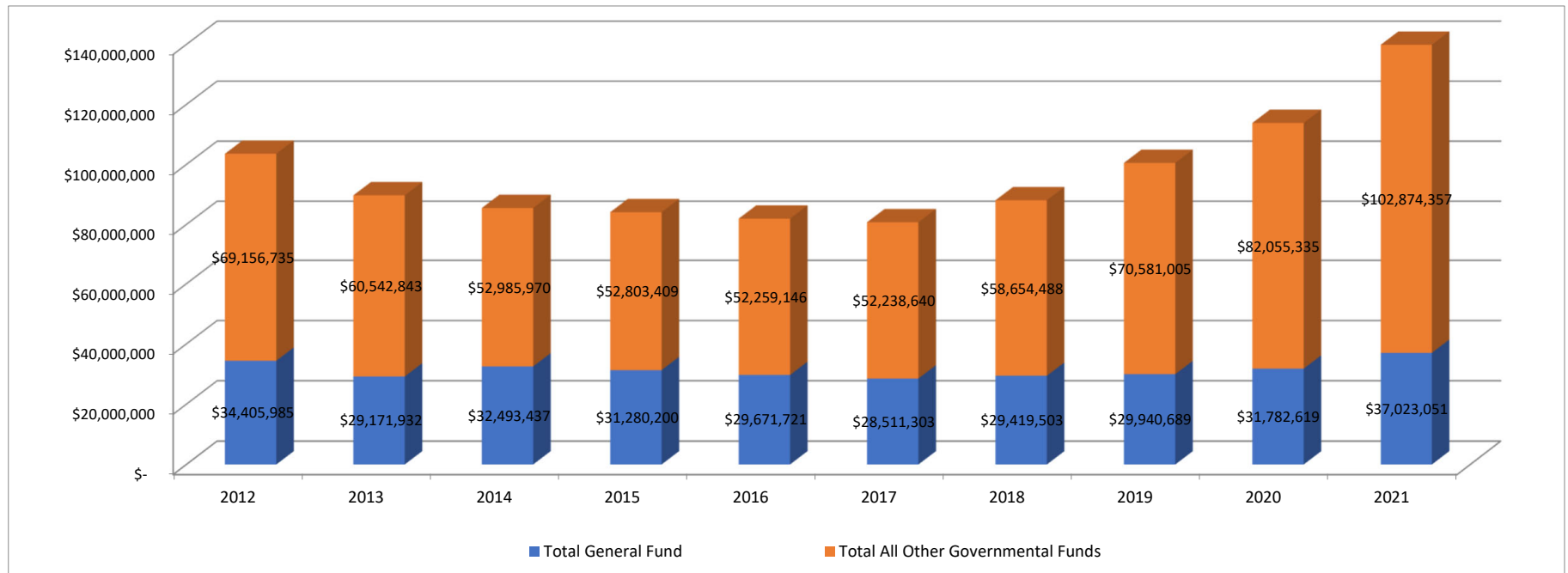
Note (1): The amount of the Change in Net Position for these fiscal years was impacted by the recession that began in 2008.

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>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>	<u>2021</u>
General Fund:										
Nonspendable	\$ 246,522	\$ 148,647	\$ 202,728	\$ 132,671	\$ 4,810,543	\$ 4,040,465	\$ 3,801,491	\$ 3,545,743	\$ 3,580,747	\$ 1,783,320
Restricted	-	-	-	-	328,032	244,762	332,647	539,172	3,210,932	794,914
Committed	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	15,681,869
Assigned	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	5,431,739
Unassigned	<u>6,042,182</u>	<u>6,893,001</u>	<u>8,698,001</u>	<u>5,186,473</u>	<u>4,529,040</u>	<u>5,218,043</u>	<u>4,014,314</u>	<u>3,947,061</u>	<u>2,408,850</u>	<u>13,331,209</u>
Total General Fund	\$ 34,405,985	\$ 29,171,932	\$ 32,493,437	\$ 31,280,200	\$ 29,671,721	\$ 28,511,303	\$ 29,419,503	\$ 29,940,689	\$ 31,782,619	\$ 37,023,051
All Other Governmental Funds:										
Nonspendable	\$ 27,868	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	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	86,839,328
Committed	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	16,035,029
Assigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 69,156,735	\$ 60,542,843	\$ 52,985,970	\$ 52,803,409	\$ 52,259,146	\$ 52,238,640	\$ 58,654,488	\$ 70,581,005	\$ 82,055,335	\$ 102,874,357
Total Governmental Funds	\$ 103,562,720	\$ 89,714,775	\$ 85,479,407	\$ 84,083,609	\$ 81,930,867	\$ 80,749,943	\$ 88,073,991	\$ 100,521,694	\$ 113,837,954	\$ 139,897,408



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

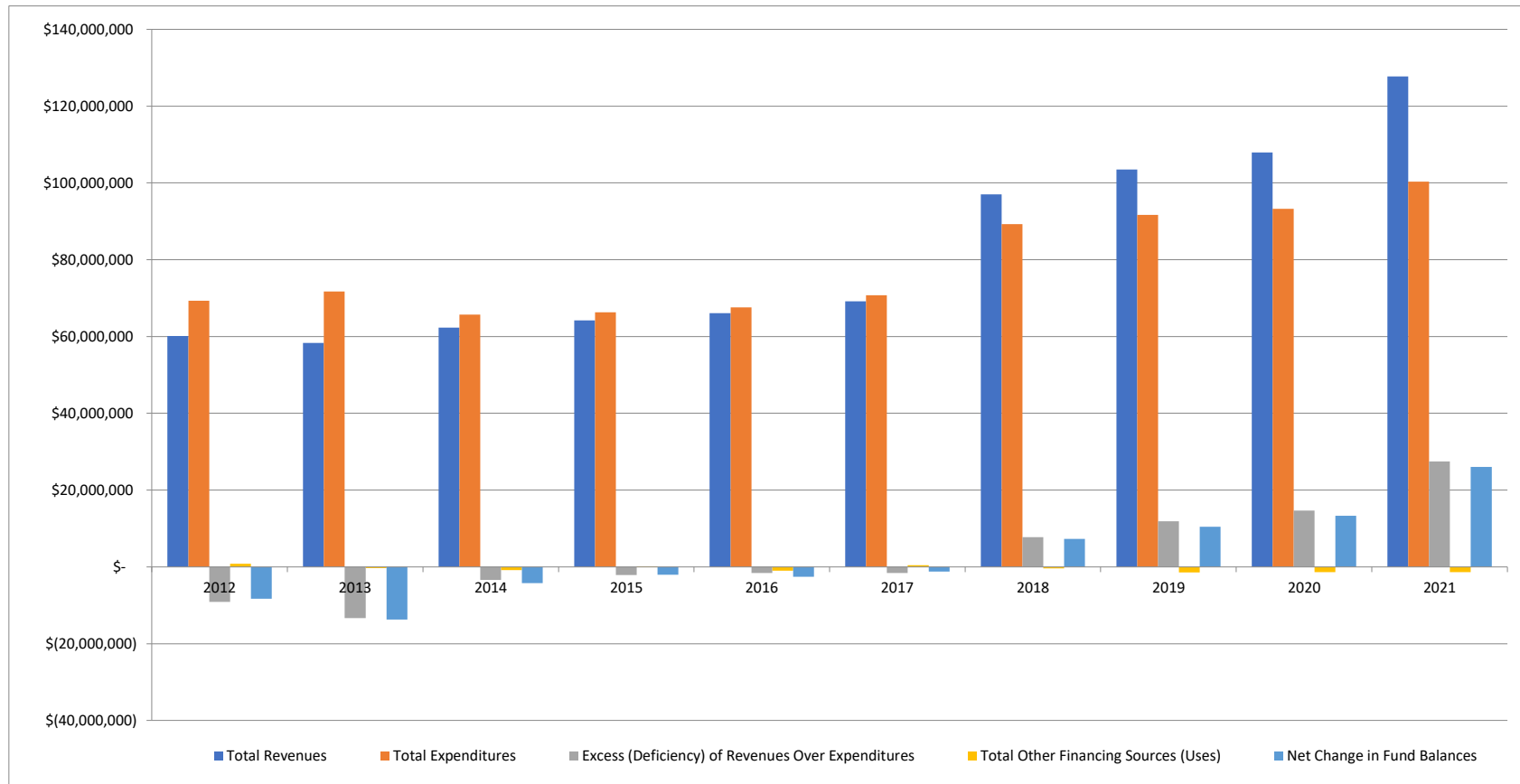
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:										
Taxes	\$ 49,791,543	\$ 47,566,643	\$ 48,749,712	\$ 50,235,661	\$ 51,676,210	\$ 53,698,496	\$ 81,398,688	\$ 85,440,612	\$ 90,768,595	\$ 101,191,846
Licenses and Permits	215,512	775,962	1,056,793	1,020,180	1,029,030	992,763	975,036	802,854	750,274	916,014
Intergovernmental	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	14,149,438
Charges for Services	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	9,555,733
Fines and Forfeitures	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	1,524,502
Investment Income	468,787	115,546	414,807	436,684	660,362	259,125	551,236	2,586,977	2,006,069	210,079
Contributions	17,715	13,275	108,510	30,941	19,232	35,597	23,083	66,590	28,958	9,043
Miscellaneous	499,541	326,369	247,779	287,643	287,798	246,549	295,813	461,805	229,416	207,989
Total Revenues	\$ 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	\$ 127,764,644
Expenditures:										
General Government	\$ 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	\$ 10,063,147
Judicial System	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	7,100,089
Public Safety	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	39,026,394
Public Works	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	8,340,537
Health and Welfare	759,057	754,060	822,881	820,891	782,510	794,390	843,841	846,421	878,075	890,611
Culture and Recreation	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	2,327,471
Housing and Development	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	1,560,546
Capital Outlay	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	11,804,840
Intergovernmental	-	-	976,465	586,714	642,365	3,444,846	13,631,641	14,188,850	14,747,011	16,088,740
Debt Service:										
Principal Retirement	1,855,425	2,108,566	1,220,000	1,710,000	1,785,000	1,835,000	1,890,000	1,950,000	-	2,530,000
Interest Expense	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	598,850
Paying Agent Fees	-	-	-	-	-	-	-	-	195,000	-
Total Expenditures	\$ 69,316,355	\$ 71,697,247	\$ 65,703,585	\$ 66,341,217	\$ 67,610,061	\$ 70,755,117	\$ 89,263,579	\$ 91,641,210	\$ 93,245,169	\$ 100,331,225
Excess (Deficiency) of Revenues Over Expenditures	\$ (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	\$ 27,433,419
Other Financing Sources (Uses):										
Transfers In	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	13,171,885
Transfers Out	(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)	(15,056,885)
Refunded Bonds Issued	-	-	-	-	-	-	-	-	29,120,000	-
Premium on Bonds Issued	-	-	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow	-	-	-	-	-	-	-	-	(28,914,275)	-
Proceeds from Sale of Capital Assets	289,063	32,353	6,319	1,363,300	16,152	19,551	25,183	84,411	3,000	511,035
Total Other Financing Sources (Uses)	\$ 828,713	\$ (319,847)	\$ (847,541)	\$ 114,590	\$ (995,276)	\$ 444,520	\$ (409,611)	\$ (1,411,036)	\$ (1,366,275)	\$ (1,373,965)
Net Change in Fund Balances	\$ (8,323,473)	\$ (13,684,930)	\$ (4,235,368)	\$ (2,034,554)	\$ (2,550,191)	\$ (1,180,924)	\$ 7,324,048	\$ 10,447,703	\$ 13,316,260	\$ 26,059,454
Debt Service as a Percentage of Noncapital Expenditures	6.6%	6.6%	5.0%	5.6%	5.5%	4.8%	4.1%	4.2%	1.3%	3.4%

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>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>	<u>2021</u>
Total Revenues	\$ 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	\$ 127,764,644
Total Expenditures	<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>	<u>100,331,225</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (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	\$ 27,433,419
Total Other Financing Sources (Uses)	<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>	<u>(1,373,965)</u>
Net Change in Fund Balances	<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>	<u>\$ 26,059,454</u>



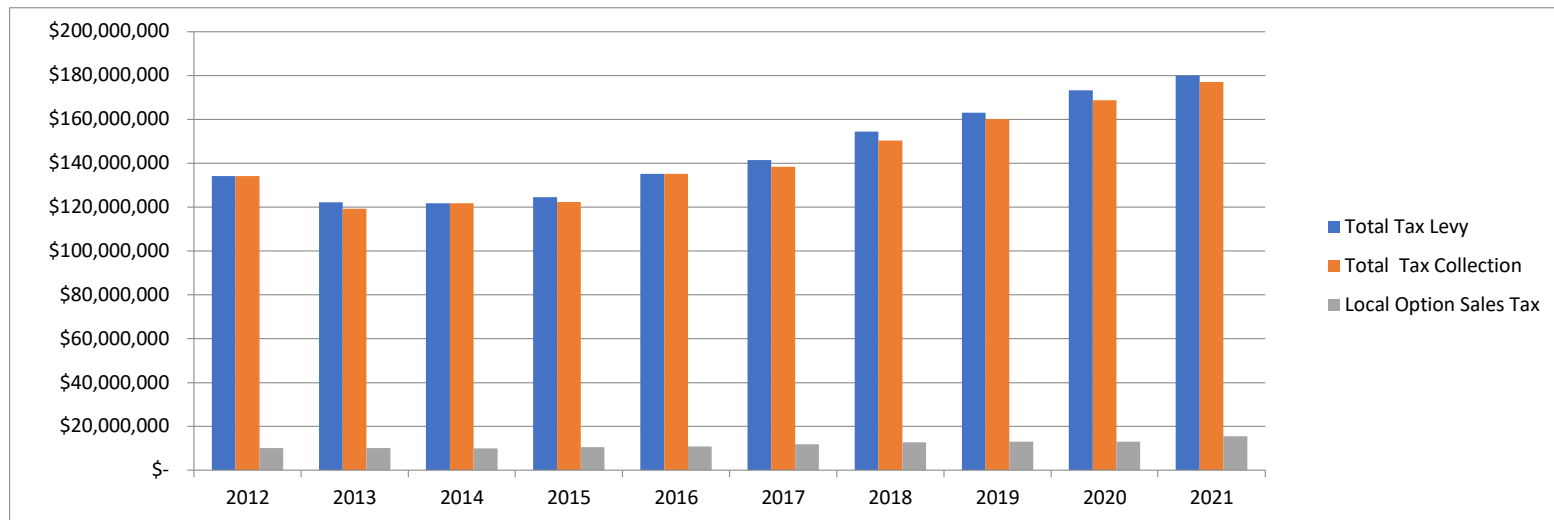
Note: The large decrease in FY 2011 is primarily the result of the Special Purpose Local Option Sales collections and expenditures.

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)
2012	\$ 134,178,334	\$ 131,714,621	98.16%	\$ 2,441,934	\$ 134,156,555	99.98%	\$ 1,087	0.00%	\$ 10,011,105
2013	122,284,367	119,310,658	97.57%	(19,271)	119,291,387	97.55%	4,434	0.00%	9,968,049
2014	121,777,781	117,737,859	96.68%	4,020,642	121,758,501	99.98%	14,658	0.01%	9,936,255
2015	124,530,100	122,373,029	98.27%	(29,775)	122,343,253	98.24%	23,050	0.02%	10,435,200
2016	135,228,713	131,267,629	97.07%	3,908,602	135,176,231	99.96%	14,540	0.01%	10,812,469
2017	141,407,621	138,482,717	97.93%	(30,591)	138,452,126	97.91%	18,981	0.01%	11,851,965
2018	154,418,197	148,947,488	96.46%	1,396,348	150,343,836	97.36%	24,500	0.02%	12,638,205
2019	163,027,684	158,555,037	97.26%	1,550,355	160,105,392	98.21%	34,079	0.02%	12,969,423
2020	173,246,427	167,134,641	96.47%	1,631,447	168,766,088	97.41%	66,493	0.04%	12,968,871
2021	179,995,847	175,238,367	97.36%	1,819,368	177,057,734	98.37%	234,011	0.13%	15,413,452

(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.

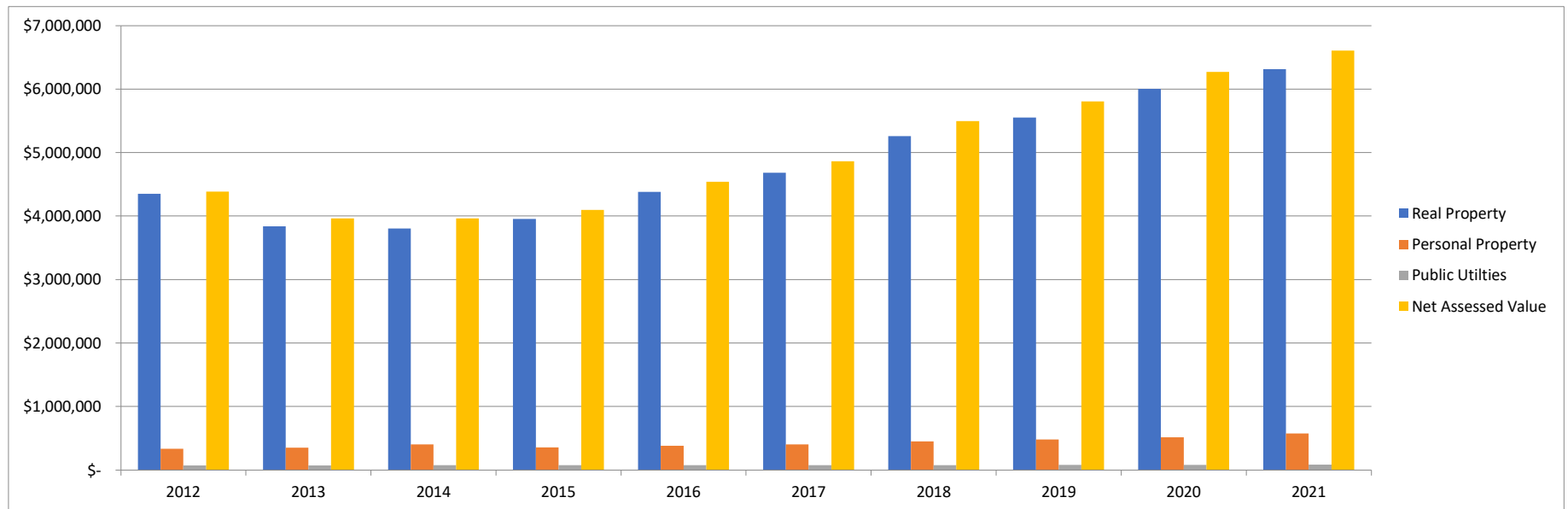


Fayette County, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

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				
2012	\$ 4,347,689	\$ 10,869,223	\$ 333,903	\$ 834,758	\$ 72,840	\$ 182,100	\$ 4,754,432	\$ 11,886,080	\$ 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%
2021	6,312,258	15,780,645	572,415	1,431,038	82,859	207,148	6,967,532	17,418,830	363,857	6,603,675	28.34	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.

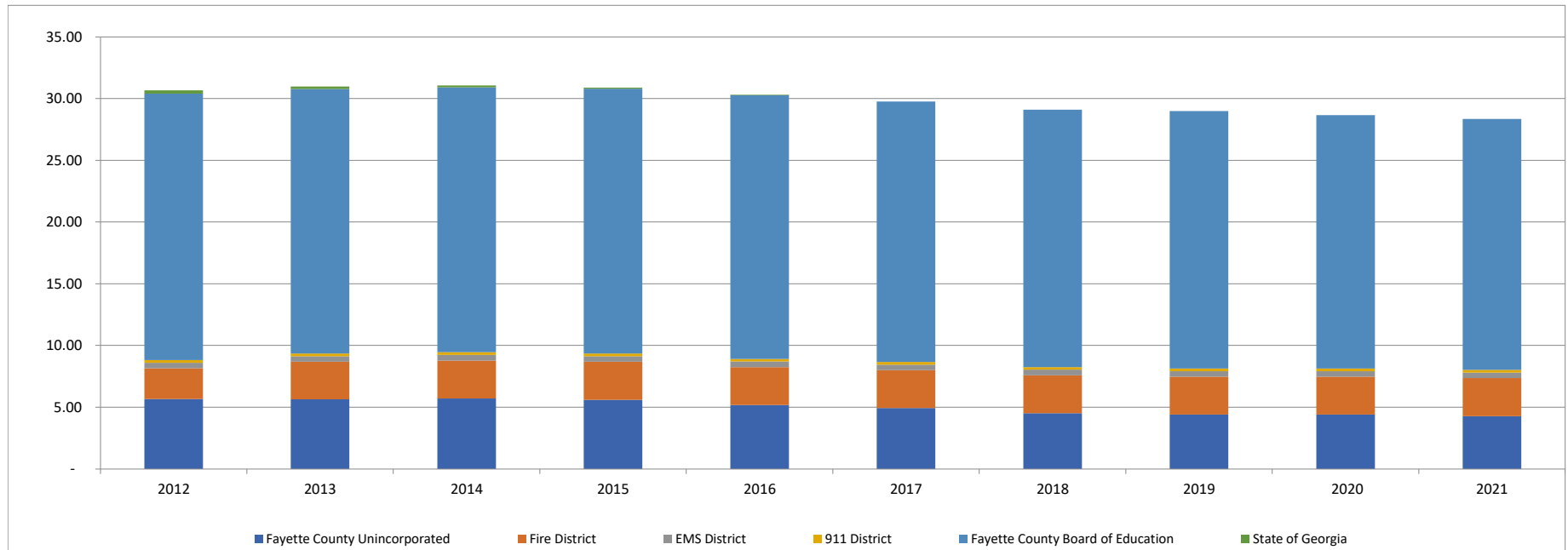
Assessed Value Information



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

	<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>	<u>2021</u>
Primary Government:										
Fayette County Unincorporated	5.65	5.65	5.71	5.60	5.17	4.92	4.51	4.39	4.39	4.28
Fire District	2.50	3.03	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07
Emergency Medical Services (EMS) District	0.45	0.45	0.46	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	0.21
Total Primary Government	8.81	9.33	9.45	9.34	8.91	8.66	8.25	8.13	8.13	8.01
Fayette County Board of Education	21.60	21.45	21.45	21.45	21.35	21.10	20.85	20.85	20.52	20.33
State of Georgia	0.25	0.20	0.15	0.10	0.05	-	-	-	-	-
Total	30.66	30.98	31.05	30.89	30.31	29.76	29.10	28.98	28.65	28.34

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 Taxpayers
Current Fiscal Year and Nine Years Ago**

Taxpayer	2021			2012		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Wencor LLC DBA & The Wencor Group	\$ 41,981,415	1	0.60%	\$ -		0.00%
Sany America Inc.	28,268,000	2	0.41%	-		0.00%
Brent Scarbrough & Co Inc.	28,117,064	3	0.40%	-		0.00%
Pinewood Atlanta LLC	22,172,528	4	0.32%	-		0.00%
Georgia Power Company	19,986,935	5	0.29%	11,968,740	7	0.23%
Hoshizaki America Inc.	18,312,416	6	0.26%	11,848,407	8	0.23%
Coweta Fayette EMC	16,580,523	7	0.24%	12,767,602	5	0.25%
Cooper Lighting LLC DBA Cooper Lighting	15,910,896	8	0.23%	-		0.00%
GlaxoSmithKline Inc.	15,472,843	9	0.22%	-		0.00%
Atlanta Gas Light Co	14,799,484	10	0.21%	10,600,002	9	0.21%
NCR Corporation	-		0.00%	29,676,954	1	0.58%
DDRTC Fayette Pavilion III & IV & C/O Development	-		0.00%	17,259,208	2	0.34%
DDRTC Fayette Pavilion I & II & C/O Development	-		0.00%	16,206,880	3	0.32%
DDRTC Fayette Pavilion I & II & C/O Development	-		0.00%	12,581,324	6	0.25%
Bellsouth Telecommunication	-		0.00%	12,889,306	4	0.25%
Coweta-Fayette EMC & VP Finance Cust	-		0.00%	9,910,542	10	0.19%
Sub-Total Top Ten Taxpayers	\$ 221,602,104		3.18%	\$ 145,708,965		2.84%
Total Other Taxpayers	6,745,929,896		96.82%	4,980,124,849		97.16%
Total Assessed Value - All Taxpayers	<u>\$ 6,967,532,000</u>		<u>100.00%</u>	<u>\$ 5,125,833,814</u>		<u>100.00%</u>

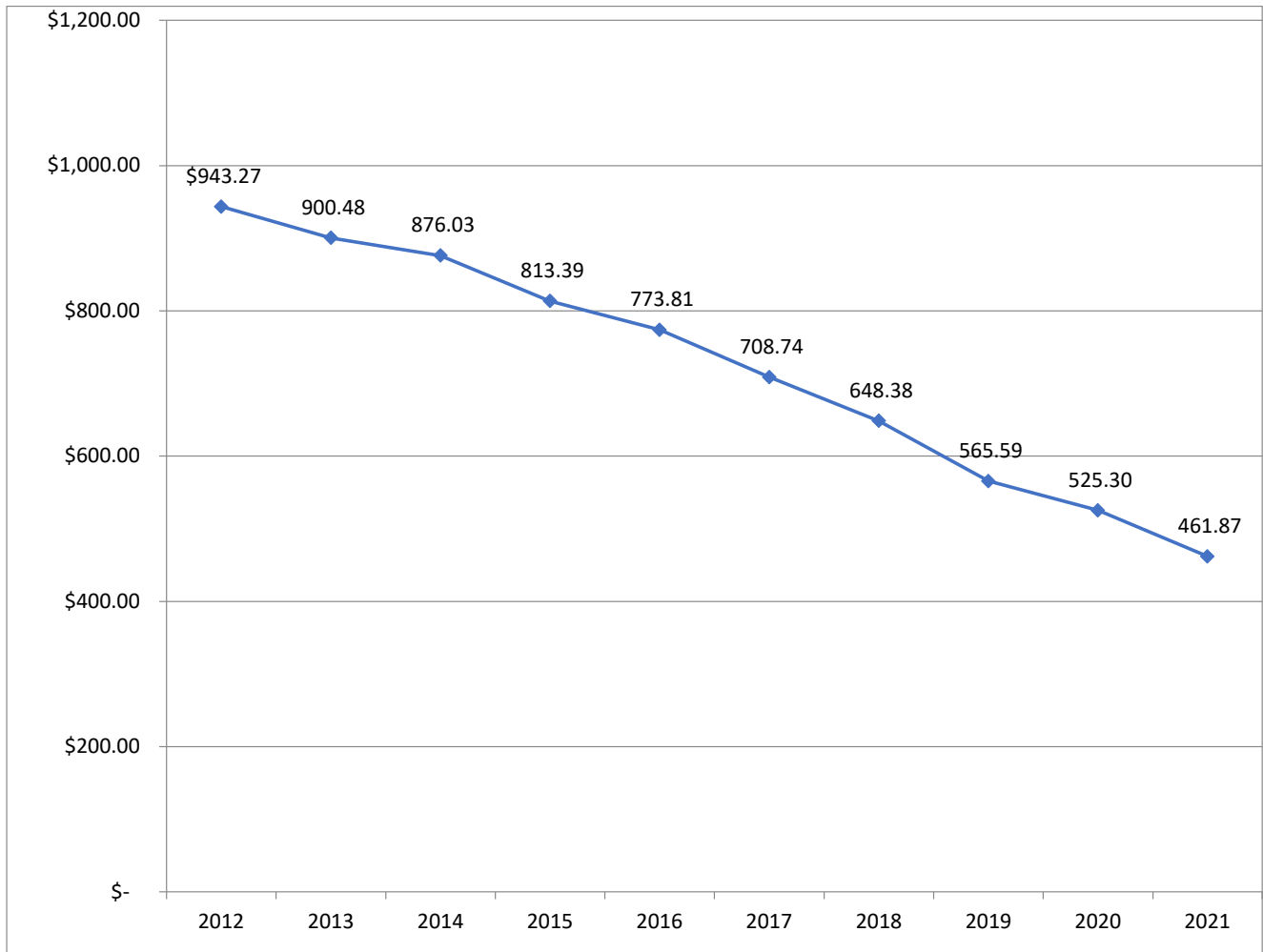
Source: Fayette County Tax Commissioner

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				
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	1.35%	708.74
2018	30,703,208	601,000	-	41,670,644		72,974,852	1.08%	648.38
2019	28,673,759	601,000	-	37,465,280		66,740,039	0.93%	565.59
2020	29,120,000	601,000	-	32,999,904		62,720,904	0.81%	525.30
2021	26,590,000	601,000	-	28,549,516		55,740,516	0.67%	461.87

(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, 2021

<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)	\$ 51,122,286	100%	\$ 51,122,286
Peachtree City (b)	-	100%	-
Subtotal for Overlapping Debt			<u>51,122,286</u>
Capital Leases	601,000	100%	601,000
Fayette County Public Facilities Authority	26,590,000	100%	\$ 26,590,000
Subtotal for Direct Debt			<u>27,191,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 78,313,286</u></u>

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

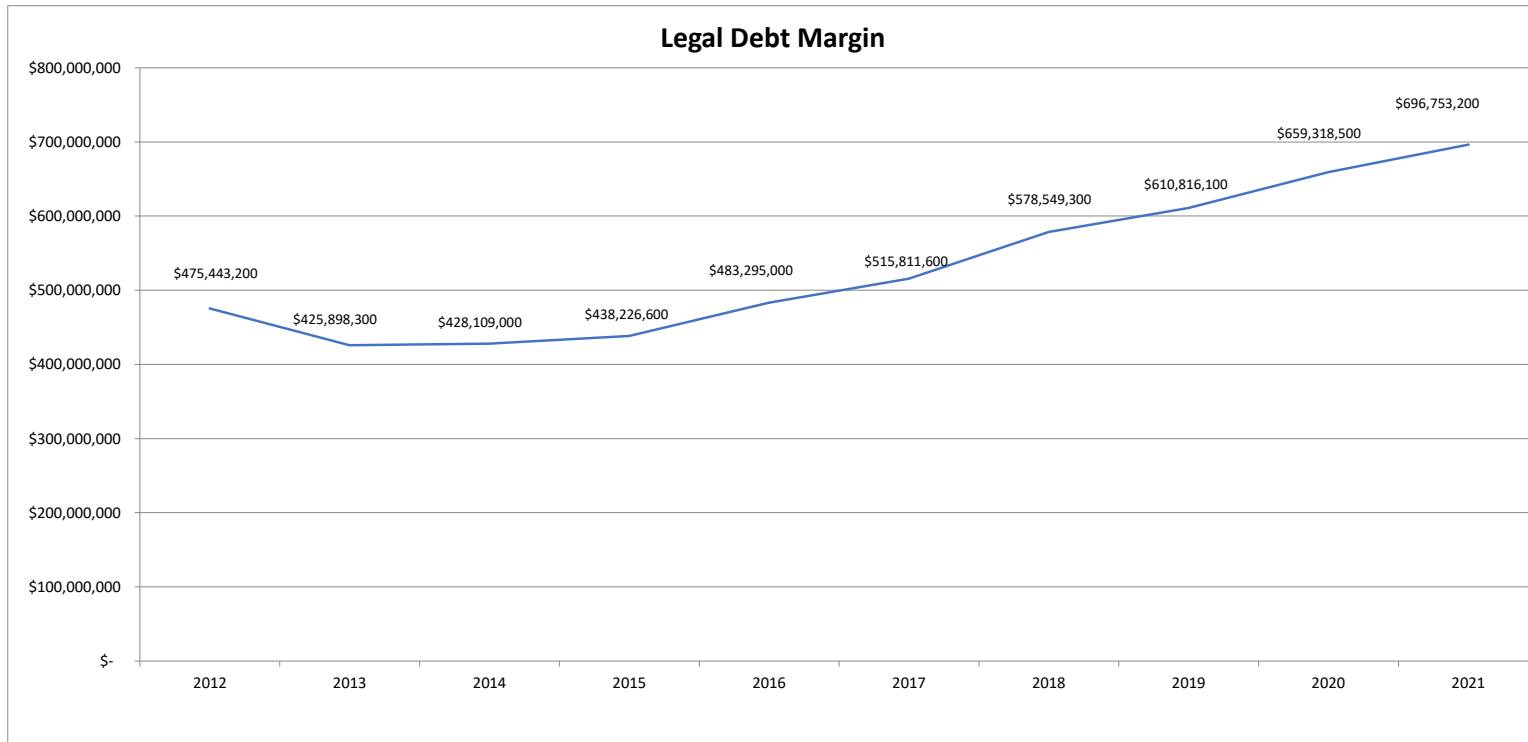
(b) Per the Peachtree City FY2020 CAFR online.

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**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Legal Debt Margin Calculation:										
Net Assessed Value of Property (amounts in \$1,000 increments)	\$ 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	\$ 6,967,532
Debt Limit (10% of Net Assessed Value) (amounts in \$1 increments)	\$ 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	\$ 696,753,200
Less: Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Add: Debt Service Funds Available	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 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	\$ 696,753,200
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.



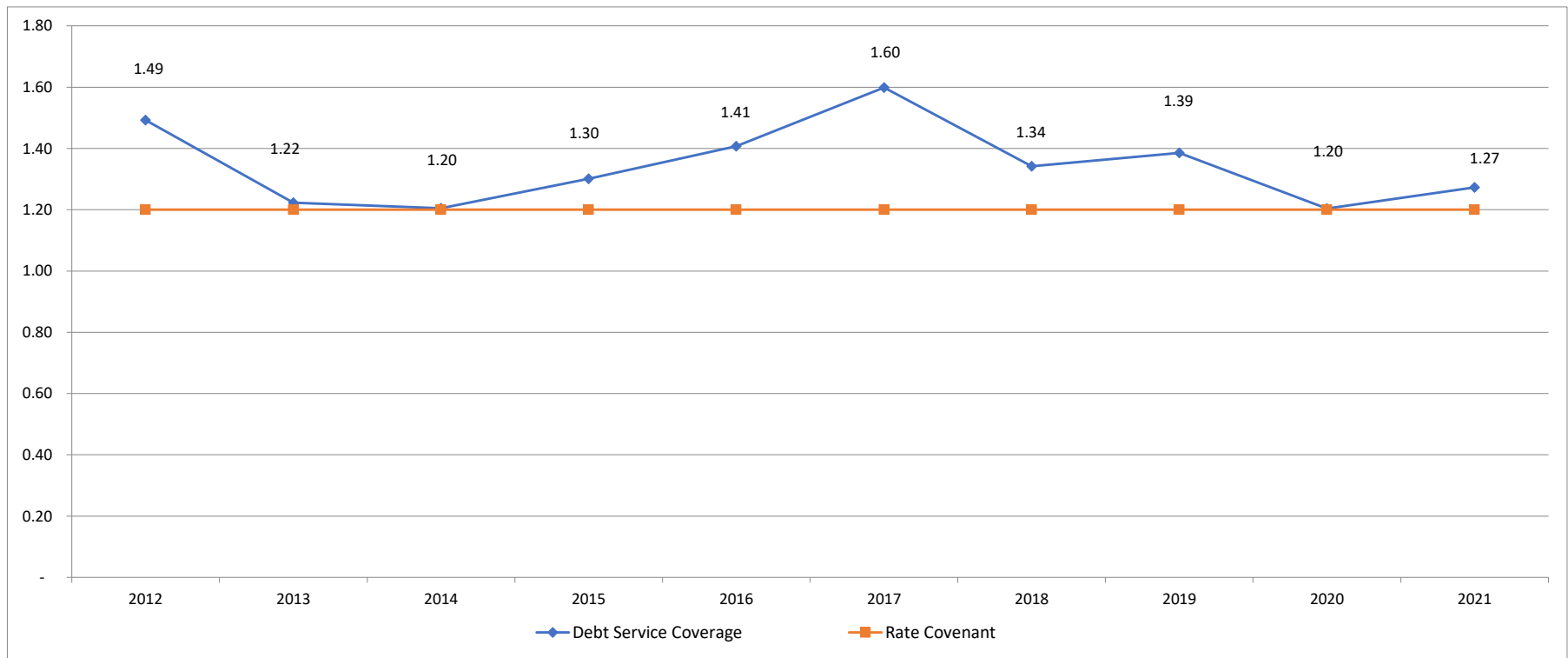
**Fayette County, Georgia
Pledged Revenue Coverage
Last Ten Fiscal Years**

	<u>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>	<u>2021</u>
Gross Revenues (1)	\$ 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	\$ 15,992,767
Reasonable and Necessary Operating Costs (2)	6,450,737	6,856,701	6,904,142	8,006,078	8,107,713	8,657,944	8,662,466	8,784,808	10,891,040	9,413,946
Net Revenue Available for Debt Service (3)	8,120,129	7,133,188	6,771,155	7,265,659	7,739,277	8,304,798	7,269,380	7,330,912	6,461,662	6,578,821
Debt Service Payments	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	5,167,441
Coverage	1.49	1.22	1.20	1.30	1.41	1.60	1.34	1.39	1.20	1.27

(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.

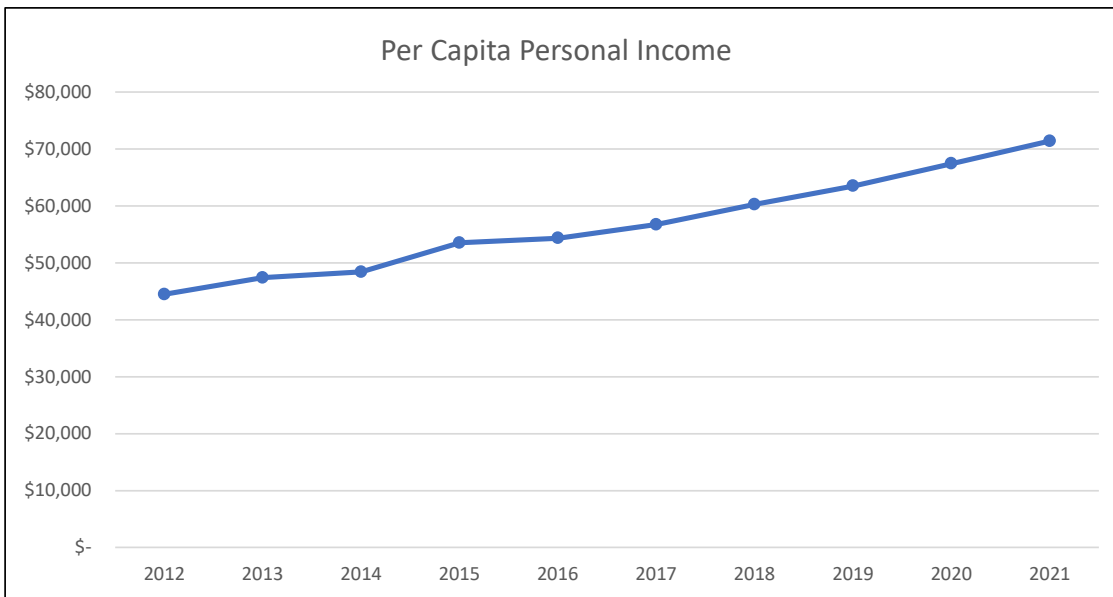
(3) Represents net revenues before depreciation and non-operating revenues and expenses.



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
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%
2021	120,684	8,267,821,000	71,384	43	19,912	3.4%

- (1) Source: Atlanta Regional Commission
- (2) Source: The Bureau of Economic Analysis
- (3) Source: The Bureau of Economic Analysis
- (4) Source: Fayette County Board of Education
- (5) Source: Fred.stlouisfed.org



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

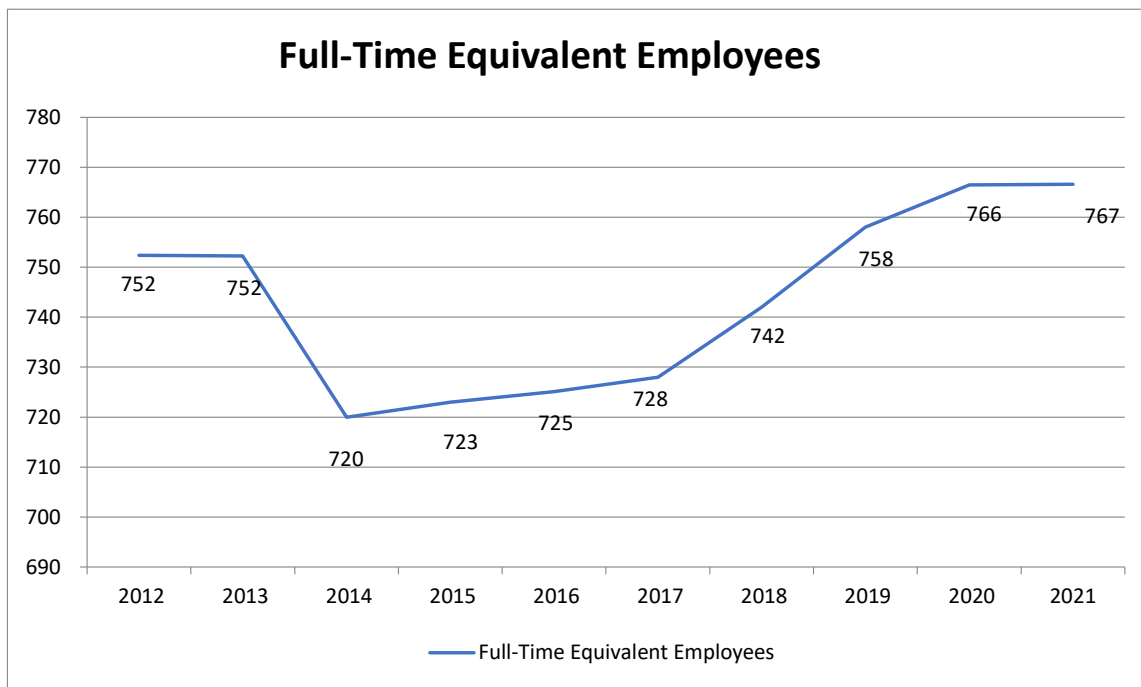
Private Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment (1)	Employees	Rank	Percentage of Total County Employment
Fayette County Public Schools	2,700	1	4.86%			
Piedmont Fayette Hospital	2,000	2	3.60%	1,400	1	3.06%
Panasonic Automotive Systems Co.	800	3	1.44%	300	5	0.66%
County of Fayette	700	4	1.26%			
Cooper Lighting Solutions	650	5	1.17%	600	3	1.31%
Hoshizaki America Inc.	500	6	0.90%	330	4	0.72%
Walmart SuperCenter	427	7	0.77%			
WalMart	400	8	0.72%			
Cornerstone Building Brands Inc.	250	9	0.45%			
Gerresheimer Peachtree City LP	250	10	0.45%			
NCR				1,200	2	2.62%
World Airways				255	6	0.56%
FAA Tracon				190	7	0.42%
TDK Components				130	8	0.28%
Cooper Wiring Device Headquarters				130	9	0.28%
SANY America				126	10	0.28%
Total	8,677		15.62%	4,661		10.18%

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>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>	<u>2021</u>
General Government	112	112	104	106	104	104	105	111	114	112
Judicial System	59	59	56	56	56	56	59	59	61	61
Public Safety:										
Animal Control	5	5	5	6	6	7	7	8	8	8
Coroner	3	3	3	3	3	4	4	4	4	4
Emergency 911	36	36	36	36	35	35	36	36	37	37
Emergency Services	47	43	43	37	37	37	37	39	33	33
Fire	105	105	99	105	105	105	105	109	115	115
Marshal	11	11	-	-	-	-	-	-	-	-
Emergency Management	-	4	3	3	3	3	3	3	3	3
Sheriff	230	231	227	227	228	228	228	230	231	231
Total Public Safety	<u>437</u>	<u>438</u>	<u>416</u>	<u>417</u>	<u>416</u>	<u>419</u>	<u>420</u>	<u>429</u>	<u>430</u>	<u>430</u>
Public Works:										
Roads	45	45	43	43	44	44	46	47	47	47
Water System	61	61	65	63	66	66	69	70	71	72
Stormwater	5	5	5	5	7	7	8	8	9	9
Solid Waste Management	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total Public Works	<u>112</u>	<u>112</u>	<u>114</u>	<u>112</u>	<u>118</u>	<u>118</u>	<u>124</u>	<u>126</u>	<u>128</u>	<u>129</u>
Housing and Development	14	13	12	14	13	13	15	15	15	15
Culture and Recreation	18	18	18	18	18	18	19	20	20	20
Total	<u>752</u>	<u>752</u>	<u>720</u>	<u>723</u>	<u>725</u>	<u>728</u>	<u>742</u>	<u>758</u>	<u>766</u>	<u>767</u>

Source: Fayette County Budget Document



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

<u>FUNCTION</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>	<u>2021</u>
General Government:										
Number of Registered Voters	79,710	73,572	80,001	83,295	84,827	83,511	84,021	93,293	92,354	96,595
Number of Parcels Assessed	42,134	42,179	42,325	42,328	42,493	42,920	43,407	43,779	44,172	44,731
Judicial System:										
State Cases	1,805	3,354	2,101	4,017	4,487	5,708	5,067	4,587	4,073	3,397
Superior Cases	513	3,347	3,981	5,133	4,791	4,559	5,007	4,346	3,571	2,202
Magistrate Cases	-	4,759	4,481	4,550	6,762	5,197	6,087	5,759	5,468	3,388
Firearms Licenses	1,903	2,936	2,301	2,527	3,010	3,019	3,012	2,815	2,727	5,369
Juvenile Cases Filed	1,108	1,105	1,022	1,229	1,039	1,019	872	900	619	569
Marriage Licenses	600	656	617	587	657	707	639	571	620	1,031
Real Estate Instruments Filed	16,236	19,942	21,214	15,525	17,833	18,885	18,166	17,394	25,381	28,070
Public Safety:										
Average Daily Jail Population	292	255	246	263	280	296	269	241	201	190
Fire/EMS Dispatch	12,954	11,240	14,077	14,997	7,785	16,391	16,382	16,342	17,085	14,851
Law Enforcement Dispatch	46,236	46,841	46,520	58,504	48,053	46,180	45,376	46,741	42,123	42,385
Public Works:										
Number of Vehicles Serviced	348	354	371	387	399	406	368	359	362	355
Street Maintenance (Miles)	528	529	530	520	522	559	556	581	582	578
Water Production (MGD))	8.7	8.4	7.9	8.1	9.4	10.3	9.5	9.3	9.9	9.4
Water System Customers	27,881	28,002	28,927	28,486	29,585	29,988	30,558	31,042	31,543	32,150
Housing and Development:										
Building Permits Issued	713	186	185	224	215	182	198	127	112	144
Culture and Recreation										
Monthly Circulation of Library Materials	53,601	27,681	35,306	28,525	22,000	26,439	29,297	37,657	27,319	17,936
Number of Programs and Classes Offered	549	619	802	581	534	458	373	532	475	534
Reference Questions Answered Monthly	2,594	2,925	2,984	3,266	3,268	8,036	8,094	8,943	8,938	3,166

Source: Fayette County Budget Document
Source: Department statistical data

Note: In FY2021 the Road Department conducted a review of total miles maintained by the County resulting in a reduction of total miles compared to previous years.

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

<u>Function</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>	<u>2021</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	160	160	160	145	151	148	144	144	144
Fire Stations	9	9	9	9	9	9	9	9	9	9
Public Works:										
Miles of County Maintained Roads	528.0	529.2	530.0	520.5	521.7	523.1	524.0	525.0	526.0	516.3
Miles of Road Resurfacing	33.2	14.1	12.9	16.1	18.2	30.5	31.8	19.3	16.4	16.8
Culture and Recreation:										
Park Acreage	366	455	455	455	455	455	455	455	455	455
Parks	6	7	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, 2021

<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