



Gwinnett

2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2020

GWINNETT COUNTY
GEORGIA



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— GEORGIA —



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Prepared by: Department of Financial Services and the Communications Division

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INTRODUCTORY SECTION

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GFOA Certificate of Achievement
Gwinnett County Organizational Chart
County Administration/Department Directors
Elected and Judicially Appointed Officials
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Accounting Division



June 30, 2021

Dear Residents, Stakeholders, Chairwoman, and Members of the Board of Commissioners of Gwinnett County:

Georgia state law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of Gwinnett County, Georgia, for the fiscal year ended December 31, 2020.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in the report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient and reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles, or GAAP. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Mauldin & Jenkins, CPAs & Advisors. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2020, were free of material misstatement. The independent audit includes 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 the statements are fairly presented in conformity with GAAP and issued an unmodified opinion. The independent auditor's report is presented as the first component of the financial section of the report.

The independent audit of the County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The reports are available in the Comprehensive Annual Financial Report under the heading [Single Audit Section](#).

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. The MD&A contains a narrative overview and analysis of the financial activities of the County, and can be found on pages 23 – 40 immediately following the independent auditors' report. This transmittal letter, which is designed to assist users in assessing the government's financial condition, complements the MD&A.

The financial statements contained in this report were impacted by several major budgetary initiatives. The 2020 budget included funding to maintain core services such as the jail, courts, police and fire protection, roads, transit, and water, as well as funding new and ongoing initiatives reflective of the County's strategic priorities set by the Board of Commissioners. The priorities include: Safe & Healthy Community, Mobility & Access, Livability & Comfort, Strong & Vibrant Local Economy, Communication & Engagement, and Smart & Sustainable Government. For a comparison of 2020 and 2021 budget initiatives, refer to "[Economic Factors and Next Year's Budgets and Rates](#)" on pages 39 – 40.

The County's reserve policies also remain an important consideration in the development of the annual budget. Separate reserve policies are in place for the General Fund, Special Revenue Funds, and Enterprise Funds. More information on Gwinnett County's reserve policies can be found in the 2021 Budget Document, which is available online at GwinnettBudget.com (see pages II:67 – II:68). Also see [Note 1 \(O. Fund Balance\)](#) on pages 76 – 77 of this report.

The financial statements in this document continue to be impacted by cost-saving measures such as the County's 90-day job vacancy policy. The County's policy of holding vacant positions unfilled for at least 90 days had a \$4.3 million positive impact on County finances in 2020.

Fiscal year 2020 has been challenging for Gwinnett County residents and businesses. The impact of the COVID-19 pandemic on County finances is reflected in the financial statements within this document. Of particular note are declines in revenues related to recreation, transit, tourism, and court activity due to social distancing guidelines, event cancellations, and service disruptions; decreases in some general operating expenditures such as training and travel as many training sessions were canceled or held virtually; and increases in personal services expenditures, partially due to pandemic-related hazard pay.

Despite the challenges presented by the pandemic in 2020, Gwinnett County's strong financial position, adequate reserve levels, and ability to adapt to changing conditions enabled us to maintain cash flow and deliver exceptional services to residents throughout the year. As we set our sights on the future, we continue to be inspired by the Gwinnett Standard of excellence and welcome brighter days ahead.



PROFILE OF THE GOVERNMENT

Gwinnett County is a world class residential, business, and tourist destination that was named for Button Gwinnett, one of Georgia's three signers of the Declaration of Independence. The Georgia legislature created Gwinnett County on December 15, 1818.

Gwinnett County is known as the northeast gateway to the metropolitan Atlanta area, with Interstate 85 running generally north/south through the county. Located in close proximity to the Hartsfield-Jackson Atlanta International Airport, one of the busiest airports in the world, the county is within a two-hour flight from 80 percent of the United States' population. There are 16 incorporated municipalities within Gwinnett County's 437 square miles.

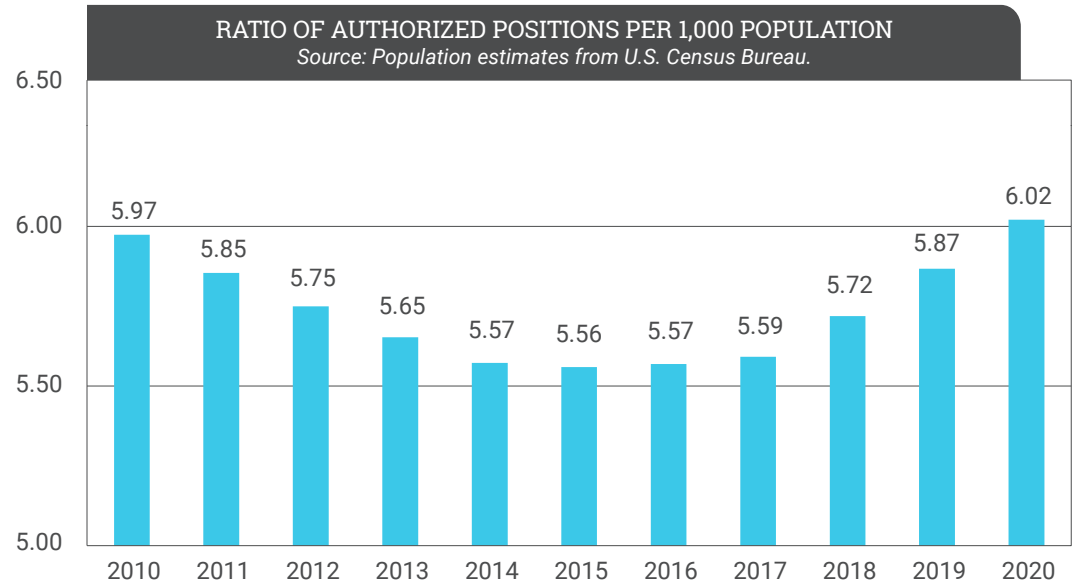
Population

According to estimates released by the U.S. Census Bureau in May 2021, Gwinnett County's population was estimated at 942,627 in 2020. Gwinnett's talented labor force, premier schools, rich cultural diversity, award-winning parks and recreation facilities, and affordable real estate continue to attract many businesses, newcomers, and visitors to the area. Gwinnett added an estimated 5,228 residents from July 1, 2019, to July 1, 2020, a growth rate of approximately 0.6 percent. According to estimates by Woods & Poole released in June 2021, the County's population is expected to reach one million by the year 2023.

Gwinnett County faces an ever-present challenge of maintaining service levels with a growing population. Even as the economy slowed, the county's population continued to grow. Slight staff reductions occurred in 2011 and 2012, but by 2013 the County began adding new positions. For several years, the county added thousands of new residents, resulting in greater demand for services with fewer available resources. From 2010 to 2015, the county's population increased by 10 percent while County staff only increased by 2.3 percent, causing the ratio of authorized positions per 1,000 population to decline. This downward trend reversed in 2016, and the ratio of authorized positions per 1,000 population grew each year from 2016 to 2020.

Government Structure and Services Provided

The County's governing authority consists of a five-member Board of Commissioners, including a full-time chairwoman elected at-large and four part-time commissioners elected within districts. The Board of Commissioners appoints the County Administrator to manage the County's daily operations. To implement the Board's directives, the County Administrator uses a management team consisting of members of his immediate staff and 12 department directors. The 12 departments that make up the executive side of the County government are Community Services, Corrections, Financial Services, Fire and Emergency Services, Human Resources, Information Technology Services, Law, Planning and Development, Police Services, Support Services, Transportation, and Water Resources. Each department director is charged with managing departmental operations in a manner which stresses efficiency, cost-effectiveness, and customer service.



In addition to the internal departments that comprise the executive side of County government, certain services are provided to citizens through constitutional officers and independent elected officials. These external offices are created by the Georgia Constitution or through state law. In Gwinnett County, they include the Sheriff, Tax Commissioner, District Attorney, Probate Court Judge, and Chief Magistrate. These independently elected officials exercise authority assigned to them by the *Georgia Constitution* or by state law. The County also has 19 other elected officials, eight judicially appointed officials, and eight retired senior judges.

A complete list of County Administration and Department Directors, Elected Officials, and Judicially Appointed Officials is located on [page 17](#).

The County government provides traditional county services, such as road construction and maintenance, court-related functions, police, fire, emergency medical, solid waste, parks and recreation, water, sewer, and stormwater services.

Bond Rating

Gwinnett County has maintained AAA bond ratings from all three rating agencies since 1997. The triple-AAA rating validates Gwinnett’s strong financial position, with sound General Fund reserves and excellent long-term financial planning strategies. Out of approximately 3,000 counties in the United States, fewer than 50 counties have achieved such a strong credit rating. The County’s excellent credit rating has resulted in significant interest savings for Gwinnett residents and has enabled the County to implement a strong capital improvement program.



ASSESSING THE COUNTY'S ECONOMIC CONDITION

The information presented in the financial statements is best understood when considered from the broader perspective of the specific environment within which the County operates.

Local Economy

With a focus on redevelopment and revitalization, as outlined in the Gwinnett 2040 Unified Plan, the economic outlook in Gwinnett County remains positive. From 2015 to 2020, Gwinnett's population increased approximately 6 percent, and its population is expected to reach 1 million by the year 2023 (U.S. Census Bureau and Woods & Poole). This growth is one of the greatest catalysts for economic development. Improving home values, increasing construction activity, and development opportunities are helping contribute to both population growth and economic expansion.

Gwinnett County's current economic landscape offers a competitive labor environment characterized by job growth and relatively low unemployment rates given the recent COVID-19 pandemic, which has had far-reaching effects on unemployment rates globally. In 2019, prior to the pandemic, the County boasted an average annual unemployment rate of 3.1 percent, which was lower than the Atlanta metropolitan area (3.4 percent), the state of Georgia (3.5 percent), and the United States (3.7 percent). With an annual average employment growth rate of 2.2 percent in 2019, Gwinnett County ranked first in employment growth among Georgia's 11 largest counties. Due to the COVID-19 pandemic, total employment trended down in 2020. However, even during the pandemic, Gwinnett County fared better than most. In April 2020, when unemployment rates reached peak pandemic levels in the United States, Gwinnett County's unemployment rate stood at 12.4 percent, which was lower than the Atlanta metropolitan area (12.6 percent), the state of Georgia (12.5 percent), and the United States (14.4 percent). The County saw gradual signs of job market recovery in late 2020 and early 2021 with unemployment rates dropping to near pre-pandemic levels. In April 2021, Gwinnett County had a preliminary unemployment rate of 3.5 percent (U.S. Bureau of Labor Statistics).

Businesses are relocating or expanding their operations in Gwinnett through programs like Partnership Gwinnett, a public-private initiative spearheaded by the Gwinnett Chamber that is committed to job creation and retention, professional development, and education. In 2020, Partnership Gwinnett generated \$88.6 million in new capital investment, won 18 projects (10 relocations and eight expansions), and created 2,092 jobs. Also, in 2020, the Gwinnett Chamber held ribbon cutting ceremonies with 45 businesses to celebrate new locations, expansions, or new product or service launches.

The condition of the property tax digest is another key economic indicator. Gwinnett County has a healthy tax digest which has grown more than 48 percent since 2013. Refer to the "[Property Taxes and the Condition of the Tax Digest](#)" text for more information.

Per capita personal income is also a measure of economic well-being. Per capita personal income is the average income earned per person in a given area in a specified year. From 2006 to 2010, per capita personal income declined. In 2011, per capita personal income began to improve and has continued to improve since then, exceeding 2007 (pre-recession) levels by 2012. According to the Bureau of Labor Statistics, Gwinnett County had a per capita personal income of \$42,902 in 2019, an increase of 3.2 percent over 2018.

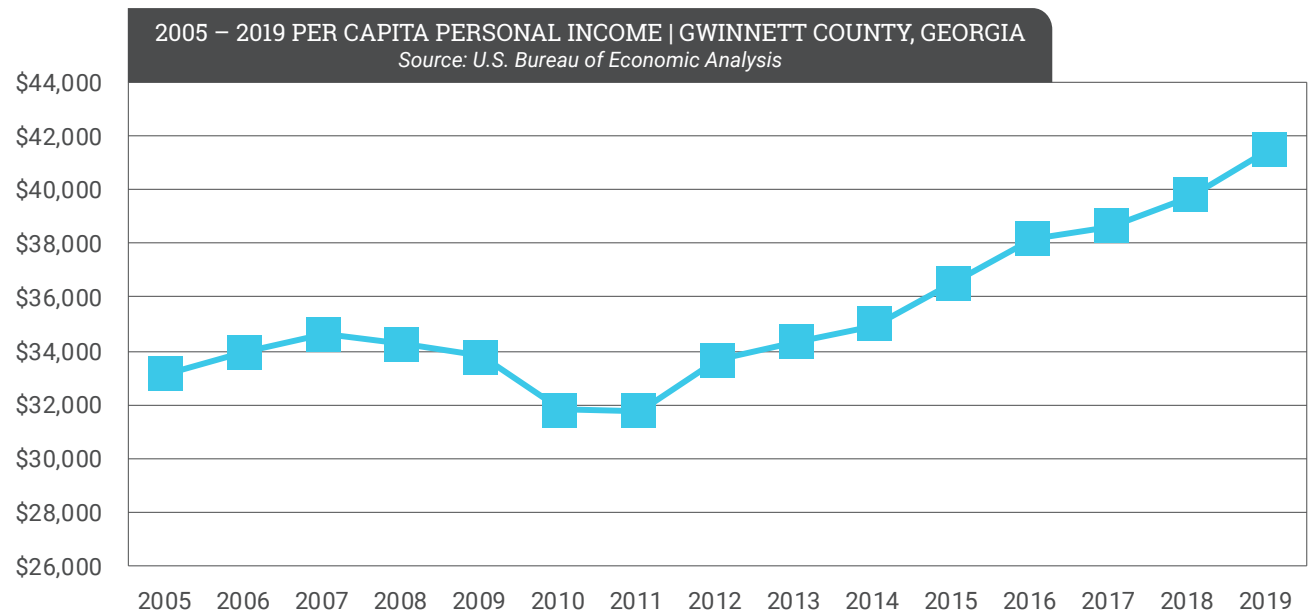
Long-Term Financial Planning

Gwinnett County operates under a formal **Long-Term Financial Planning Policy**, which was adopted by the Board of Commissioners in 2012 and amended in 2017. The policy ensures ongoing financial sustainability beyond a single fiscal year budget cycle. The LTFP process evaluates known internal and external issues impacting the County's financial condition. Such issues are identified, presented, and mitigated when and where possible. The process begins by identifying critical areas that have, or are expected to have, an impact on the financial condition of the County over the next five years. Once the issues are identified, specific goals and objectives are developed for each structural deficiency.

The LTFP is a constantly changing and evolving document that is routinely updated and presented on an ongoing, five-year rolling basis. The LTFP is incorporated into the County's Business Planning Process and presented to the Chairwoman, the Board of Commissioners, and staff throughout the formulation of the annual budget. The LTFP is intended to help the County achieve the following:

1. Ensure the County can maintain financial sustainability
2. Ensure the County has sufficient long-term information to guide financial decisions
3. Ensure the County has sufficient resources to provide programs and services for the stakeholders
4. Ensure potential risks to ongoing operations are identified in the long-term financial planning process and communicated on a regular basis
5. Establish mechanisms to identify early warning indicators
6. Identify changes in expenditure or revenue structures needed to deliver services or to meet the goals adopted by the Board of Commissioners

The LTFP forecasts revenues, expenditures, and financial position at least five years into the future or longer where specific issues call for a longer time horizon. County staff regularly look for and implement opportunities to improve the quality of the forecasting, analysis, and strategy development that is part of the planning process. These improvements are primarily identified through the comparison of projected performance with actual results.



The Capital Improvement Plan, or CIP, is another long-term financial planning tool utilized by Gwinnett County. Each year, County staff develops a six-year, long-range CIP that describes and prioritizes the capital projects the County intends to undertake in the current year plus five additional future years, including the acquisition or construction of capital facilities and assets, and the maintenance thereof. Before funding is allocated to any new capital project, the County ensures adequate resources are available to operate and maintain existing assets. In Gwinnett County, a capital project is defined as a project with a useful life of 10 years or more and a cost of at least \$250,000 within six consecutive years, or more than \$100,000 in one year.

The Department of Financial Services coordinates a financial capital project review process within the annual budget calendar. The capital review team evaluates departments' requests for capital funding and ranks them across a set matrix of criteria; the ranking process enhances objectivity, reliability, and transparency. After the evaluation concludes, the final score is calculated, projects are ranked by priority, and the evaluation team makes recommendations on which projects should be funded. Additional information about the CIP process, project selection, funding strategies, and the roles of various stakeholders is provided in the Capital Asset Investment and Management Policy in the [2021 Budget Document](#) on pages II:50 – II:52.

Other Long-Term Planning Tools

In addition to financial planning tools like the LTFP and CIP, the County has developed other long-term planning tools to help map out its future. Some of these tools include:

- Gwinnett 2040 Unified Plan
- Comprehensive Transportation Plan
- Comprehensive Transit Development Plan
- Airport Master Plan
- Water and Wastewater Master Plan
- Comprehensive Parks and Recreation Master Plan
- Open Space and Greenway Master Plan
- Countywide Trails Master Plan
- Solid Waste Management Plan



Gwinnett County is currently operating under the [Gwinnett 2040 Unified Plan](#), also known as a comprehensive plan. The state of Georgia mandates that a Unified Plan be re-written every 10 years. The Board of Commissioners adopted the Gwinnett 2040 Unified Plan on February 5, 2019. The Plan was crafted after two years of study, including many months of public input from stakeholder meetings, open house information sessions across the county, intercept interviews at parks, social media and website outreach, and surveys. The plan contains analysis, policies, graphs, maps, and proposals to help guide progress and development countywide on multiple fronts through 2040. The Unified Plan provides a blueprint of how the County's residents and other stakeholders would like to see Gwinnett grow and develop over the next 20 years. It affords the County an opportunity to review conditions in the community, anticipate future needs, and establish short-term and long-term goals. The Gwinnett 2040 Unified Plan also ties several other plans into a single, coordinated vision so that everyone is on the same page and moving in the same direction. Plans incorporated into the Gwinnett 2040 Unified Plan include the County's Comprehensive Transportation Plan, Connect Gwinnett: Transit Plan, Countywide Trails Master Plan, and the Department of Water Resources' water and sewer plans.

In 2019, the Gwinnett 2040 Unified Plan was honored to receive the award for the Best Planning Document in the state at the Georgia Planning Association Fall conference. The Plan also includes four videos created by Gwinnett County's Communications Division which highlight the "History," "Trends," "Where We Are," and "Where We Are Going" themes.

The [Comprehensive Transportation Plan](#) informs Gwinnett County officials and its residents on the subject of future transportation needs, identifies projects that address those needs, and the advantages, costs, and potential funding sources for those projects. The County completed the update to the CTP named Destination2040 in 2017 and will begin the process for the next update in 2021.

In 2018, the County completed a [Comprehensive Transit Development Plan](#) called Connect Gwinnett: Transit Plan. The Connect Gwinnett: Transit Plan developed short, mid, and long-term phases with future transit service enhancements being based on the recommendations of the plan. Recommendations include expanded local service and new flex service areas in the short-term phase to a multimodal hub and heavy rail extension to Norcross in the long-term phase. In April 2020, the Board of Commissioners approved a resolution of a list of transit projects to be submitted to the Atlanta-Regional Transit Link Authority, known as the ATL, for inclusion in the ATL Regional Transit Plan. In 2021, in conjunction with the update to the Comprehensive Transportation Plan, the process will begin to update, revise, or replace the Transit Development Plan.

The **Airport Master Plan** provides long-range layout options for the development of the airport. The County completed the last update in 2009 and will begin the process for the next update in 2021. This new update will include an economic impact perspective as well as the future layout of the airport.

The Gwinnett County **Water and Wastewater Master Plan**, adopted in 2018, is fully aligned with the Gwinnett 2040 Unified Plan. This plan was jointly developed by the Department of Planning and Development and the Department of Water Resources, along with a large team of consultants, County staff, and residents. The plan outlines the water and wastewater infrastructure needs in the county through 2040, establishing “triggers” that will be measured and monitored by staff on an annual basis in order to establish a realistic project design and construction timeline to ensure that these infrastructure needs continue to be met for the residents of Gwinnett in a “just in time” fashion.

Gwinnett County has a history of being proactive in addressing its parks and recreation needs. Planning is key, but plans cannot remain static – especially in a county whose population has grown from about 72,000 in 1970 to more than 940,000 today. Gwinnett County is consistently re-evaluating the long-term recreation plan in a fiscally responsible manner, relying heavily on community involvement in the process. Gwinnett County’s **Comprehensive Parks and Recreation Master Plan**, supported by the 2017 Update of the Gwinnett County Parks and Recreation Capital Improvement Plan, provides the basis for today’s needs. Tomorrow’s needs are being re-evaluated in the 2020 Comprehensive Master Plan that will be completed in early 2021. Resident input was gathered through surveys, interviews and public meetings. The plan will incorporate numerous factors including population growth, cultural diversity, leisure trends, service delivery, etc. Gaps in service levels, including facilities, services, partnerships and finances, will be identified, solutions suggested, and a plan for the future will emerge. This will provide a completely new look at our facilities, programs, services, structure and finances that will set the stage for future growth.

Keeping Gwinnett a preferred place to live includes making it easier for people to walk, run, and bike through their neighborhoods and to and from attractions such as local parks, schools, places of worship, and neighborhood shopping. Walking consistently ranks as the most popular recreational activity for Gwinnett’s residents and is one of the healthiest activities. The **Open Space and Greenway Master Plan**, amended by the Open Space and Greenway Master Plan Update, comprehensively explores open space acquisition and development of a county greenway system, as well as administrative, management, and funding analysis. In conjunction with the greenway master plan, a **Countywide Trails Master Plan** was adopted in 2018 to ensure the connectivity of city and county trails to each other for a countywide map of existing and future trails. The Countywide Trails Master Plan was a collaborative effort between the Gwinnett County Department of Transportation and the Gwinnett County Department of Community Services as well as the cities and Community Improvement Districts across the county. The plan provides a high-quality network of trails to give the community an innovative way to travel across the county and a place to exercise and socialize with family, friends, and neighbors. It will be used as a guide to increase biking and walking options for transportation as well as recreational opportunities. Additional information about [Parks and Recreation Master Planning](#) is available on Gwinnett County’s website.

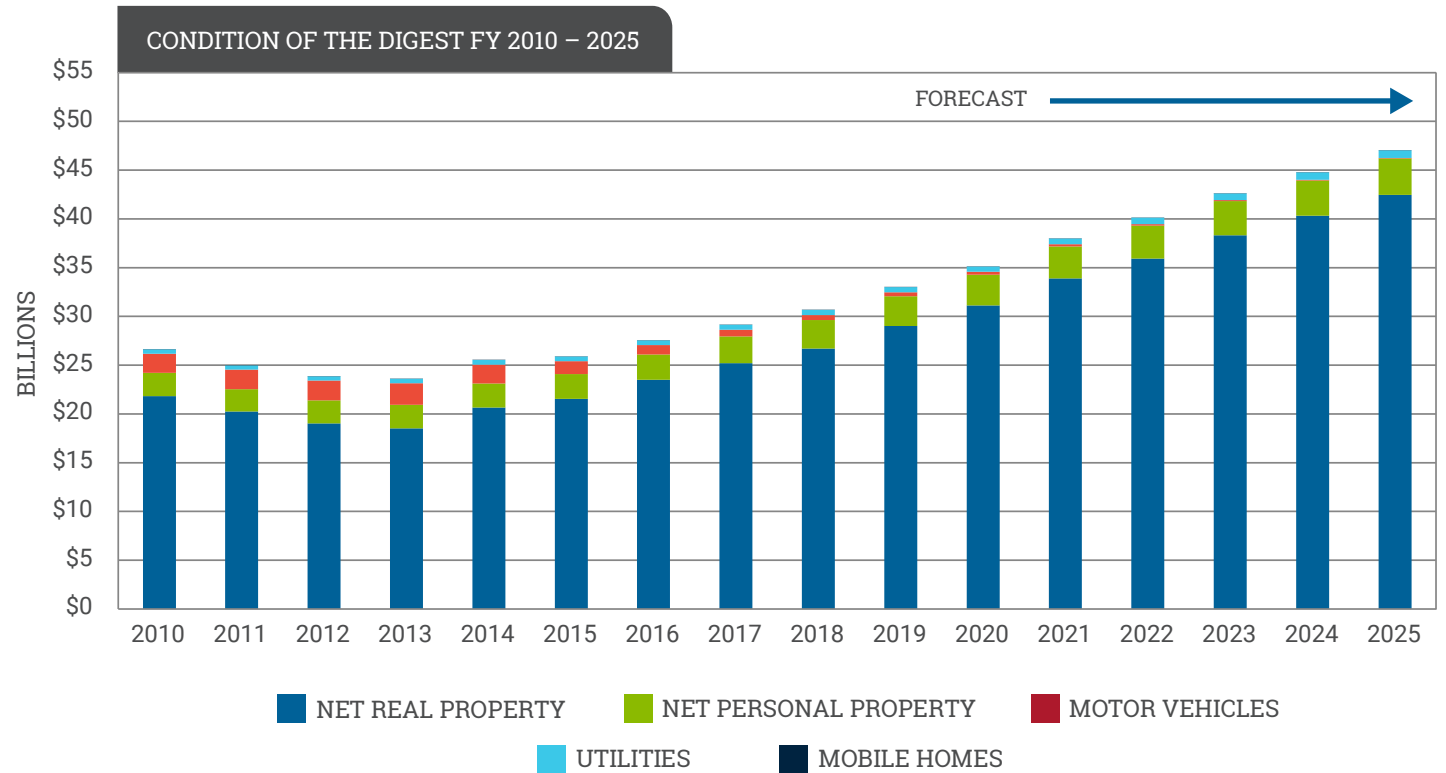
The [Solid Waste Management Plan](#) was last amended in 2008 and addresses provisions that were required by state law and regulations by examining the five core planning elements: waste reduction, waste collection, waste disposal, land limitation, education, and public involvement.

Property Taxes and the Condition of the Tax Digest

Property taxes are an extremely important revenue source for the County. More than one-third (37.8 percent) of the total revenue for all operating funds and more than three-quarters (77.3 percent) of the revenues for the tax-related funds are derived from property taxes. Property taxes provide most of the funding in the General Fund for County operations and in the Recreation Fund for park operations and maintenance. Property tax revenues are also used to pay for economic development activity and services such as police, fire, and emergency medical services. Tax-related funds make up 48.9 percent of the fiscal year 2021 operating budget.

The amount of property tax revenue is based on the size of the tax digest and the millage rate. Prior to 2008, Gwinnett County experienced the benefits of a growing tax digest, which is the total value of all taxable property as determined by the Tax Assessor. In 2008, the growth began to decline. Between 2008 and 2013, the County experienced more than a 20 percent drop in the digest. After five years of decline, the year-over-year change from 2013 to 2014 was positive, and this positive trend has continued. Due to improving home values and increasing construction activity, the tax digest has grown more than 20 percent from 2017 to 2020.

Since the inception of title *ad valorem* taxes in the spring of 2013, motor vehicle *ad valorem* taxes are being phased out and currently have a negative effect on the total digest growth as citizens transition from the old method of paying sales and use taxes and the annual *ad valorem* tax (“the birthday tax”) on newly purchased vehicles to paying a one-time title fee/tax based on the fair market value of the vehicle at the time a title is transferred. From 2019 to 2020, there was a decrease of \$758,750, or 15.6 percent, in motor vehicle *ad valorem* tax revenue. The County has received revenue from title *ad valorem* taxes to make up for this loss. Despite the decline in motor vehicle *ad valorem* taxes, growth in the overall countywide digest is expected to continue in the coming years.



Rising Health Care Costs

Throughout 2020, Gwinnett County continued to place a strong emphasis on the health and well-being of its employees while navigating the changes generated by the COVID-19 pandemic. As the cost of health care continues to rise, the County has adopted a proactive and holistic approach to health care through encouragement of participation in the Wellness Program. Employees were offered programs on all aspects of health. The County focused on keeping employees safe, secure, and strong by maintaining a sense of stability in benefit and wellness offerings.

The Wellness Program encourages engagement in healthy habits. Employees who participate in the Wellness Program qualify for a reduction in medical premiums. The County also contributes to employees' Health Savings Accounts and Health Reimbursement Arrangements based on Wellness Program participation. During 2020, the Wellness Program adapted to meet the challenges of the COVID-19 pandemic. The County enacted a hybrid approach for wellness programming options, offering both in-person and virtual programs, which allowed the Wellness Program to reach more employees. Despite the pandemic, more than 79 percent of eligible employees and 64 percent of spouses completed their biometric screening and wellness assessment. The Wellness Program also shifted focus by placing more emphasis on emotional wellness resources.

The transition to a new Wellness Center vendor partner, CareHere, was finalized in 2020. CareHere enhanced the Wellness Center's formulary, adding many free and low-cost generic medications for chronic conditions. CareHere also remained accessible during the pandemic by offering more telemedicine appointments and drive-thru medication pick-up. These efforts by CareHere provided a more convenient way for employees to stay up-to-date with disease management during uncertain times.

In 2020, the County was recognized as one of Atlanta Business Chronicle's Healthiest Employers. This award is based off scores in six different categories for the Wellness Program, including leadership commitment and strategic planning. The County scored high on the Healthiest Employer Index. This achievement reinforces the County's dedication towards maintaining a healthy workforce, as this is crucial to the success of the organization and, in turn, managing rising health care costs.

The County's costs continue to increase, following the trend for employers nationwide. Employee and employer costs increased by 7.5 percent for the 2021 rate renewals. As a part of the ongoing strategy to control long-term costs, the County continued an incremental 1 percent decrease to its subsidy for dependents. There were no major changes in plan design for 2021, giving employees a continued sense of stability and security.

Accrued Liabilities

Funding its Defined Benefit Pension and Other Post-Employment Benefits plans continues to be a priority for Gwinnett County. Beginning in 2007, the County closed the DB Pension plan to new employees and committed to amortize the unfunded liability over 20 years. In 2015, the Retirement Plan Management Committee decreased the DB plan's assumed rate of return and extended the amortization period by five additional years. In 2019, the Retirement Plan Management Committee changed some of the DB plan's other assumptions. These changes increased the plan's unfunded liability, but decreased the plan's dependence on market returns. As of December 31, 2020, the funded ratios for the DB Pension and OPEB plans were 85.7 percent and 82.3 percent, respectively.

More details are in [Notes 12](#) and [13](#) of the Notes to Financial Statements.



Environmental Sustainability

Gwinnett County launched the Gwinnett Environmental Sustainability Program in 2009 to enhance efficiency in the use of valuable resources and reduce the impact of local government operations on the environment. This environmentally friendly initiative promotes protection and restoration of the community's natural resources through water and energy conservation and reduction in air pollution and waste. The Department of Planning and Development contributes to the Environmental Sustainability Program through the development and implementation of the following policies: Community Electric Vehicle Ready Policy, Community Energy Code Enforcement Policy, Community Green Building Incentive Policy, Community Outdoor Lighting Efficiency Policy, Community Revitalization Incentives Strategy Policy, Community Shade Coverage Requirements Policy, Community Shared & Reduced Parking Policy, Community Smart Growth Incentive Bonuses Policy, and Community Solar Energy Incentive Policy. For more information about these policies, see the [Environmental Sustainability](#) page on the County's website.

In addition to the environmental sustainability policies, another way Gwinnett County promotes an environmentally friendly environment is through LEED, an internationally recognized green building certification system providing third-party verification that a building or community was designed and built using strategies intended to improve performance in metrics such as energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts. Gwinnett County has set an example with LEED certified buildings including the Environmental and Heritage Center, the Hamilton Mill branch of the Gwinnett County Public Library, the Gwinnett Senior Services Center, the Police Training Facility, the Medical Examiner's Office and Morgue, and the Lilburn Branch Library and City Hall.

Gwinnett County confirmed its dedication to environmental sustainability in 2018 by becoming the first county in the region to earn Gold certification as a Green Community by the Atlanta Regional Commission. In 2019, Gwinnett County was upgraded to Platinum certification, the highest level of certification, an achievement that no other county in the region has received. The County will remain Platinum certified until May 2022 when recertification will be required. The Green Communities Program is a voluntary certification program that recognizes counties and cities in metro Atlanta for leadership in implementing policies and practices that contribute to the efficient and sustainable use of resources in metro Atlanta.

Some efforts Gwinnett County made towards environmental sustainability in 2020 were as follows:

- Gwinnett Clean & Beautiful cohosted five community events resulting in diverting 136 tons of hazardous waste, 4,763 gallons of paint, 28.13 tons of electronics, and 28.14 tons of paper from the landfill. GC&B also removed 10,000 pounds of garbage during roadside cleanup events.
- Gwinnett Clean & Beautiful was awarded a \$100,000 matching grant from The Recycling Partnership to educate residents on how to properly recycle, decreasing contamination while increasing the value of recyclables ([#recyclerightgwinnett](#)).
- Gwinnett Clean & Beautiful's Adopt-a-Road volunteers completed 488 cleanups; 3,087 volunteers donated 22,441 volunteer hours and removed 198,525 pounds of litter and 2,658 illegal signs from roads.
- Water Resources hosted 22 stream cleanups, engaging 303 volunteers and collecting 24,370 pounds of trash and debris from county waterways and roadsides, including more than 700 tires.
- Water Resources hosted two Household Hazardous Waste Collection Events, collecting 207,799 pounds of household hazardous waste from 1,735 residents.

Internal Controls

County management maintains internal accounting controls to ensure that the County's assets are protected from loss, theft, or misuse. Adequate accounting data allows financial statements to conform to GAAP. These controls provide reasonable, but not absolute, assurance of meeting the County's objectives, recognizing that: 1) the cost of an accounting control should not exceed the likely benefit, and 2) evaluating costs and benefits requires management estimates and judgments.

Gwinnett County has implemented additional internal controls through the development of formal financial policies. The County operates under the following financial policies:

- Accounting and Financial Reporting Policy
- Long-Term Financial Planning Policy
- Operating and Capital Budget Policy
- Business Expenditure Policy
- Investment Policy
- Capital Asset Investment and Management Policy
- Debt Management Policy
- Reserve Policies for the General Fund, Special Revenue Funds, and Enterprise Funds

Additional information about the financial policies listed above is available in the [2021 Budget Document](#) (pages II:40 – II:68) located on the County's website.

The Code of Ethics is also a critical part of the County's internal control efforts. The County adopted and distributed revisions to the *Code of Ethics Ordinance* in the spring of 2021. The purpose of the *Code of Ethics Ordinance* is to establish ethical standards of conduct for all County officials and employees. The ordinance protects and promotes organization-wide integrity and informs citizens, customers, vendors, and external stakeholders of what is valued by the County. The ordinance requires that every official and employee receive training within one year of their hire date, appointment, or swearing in, as well as every two years thereafter.

Budgetary Controls

No later than December 1 of each year, the Chairwoman of the Board of Commissioners submits a proposed budget for the ensuing calendar year for each County fund. The Board reviews the document, meets the legal requirements for advertising the budget and for holding a public hearing, and then adopts the annual financial plan at the first regularly scheduled Commission meeting of the year.



Sound financial management and legal compliance require effective budget controls. State statutes require the County to operate under an annual balanced budget adopted by local resolution or ordinance. A budget ordinance or resolution is balanced when the sum of the estimated revenues and appropriated fund balances/net position is equal to appropriations. By law, expenditures may not exceed appropriations at the department level, within each fund. An automated funds-availability verification process provides operational control of departmental budgets. More details are in [Note 2](#) of the Notes to Financial Statements.

Internal Audit

The Office of Internal Audit provides independent, objective assurance and management advisory services that are designed to improve the County's operations. Internal Audit helps the Board of Commissioners, elected officials, and management accomplish their objectives by bringing a disciplined approach to evaluate the effectiveness of risk management, control, and governance processes. This is accomplished primarily through compliance, operational, financial, and information system audits for all Gwinnett County departments and offices.

Strategy and Performance Management

The Management Framework is the overarching structure of strategic and performance management within the County. There are six parts, which include Engagement, Priorities, Strategies, Tactics, Operations, and Results. The Management Framework aids in achieving the County's priorities by defining how we approach them, the decisions we make within that approach to enable action, and the specific actions we take to get results and ultimately produce value. It also ties each of those steps together through performance management so that we can measure our success, make more informed decisions, and target resources to areas that need the most improvement.

Engagement – Commitment – The continuous interaction between the organization and stakeholders resulting in the development of desirable and measurable improvement solutions.

Priority – Intent – Broad statements of intent that cascade down and guide decisions at all levels of the organization.

Strategy – Approach – The approach needed to narrow the scope of priorities into actionable decisions that propel the organization forward.

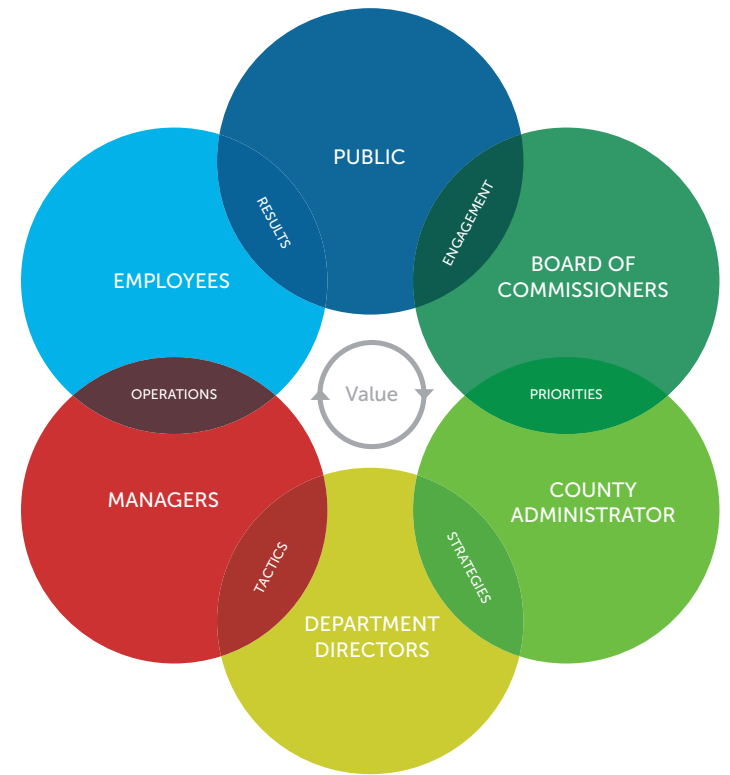
Tactic – Decision – Means by which a strategy is carried out; planned and ad hoc decisions meant to deal with the demands of the moment, and to move from one milestone to another in pursuit of the overall strategy.

Project/Initiative – A planned work or activity that is finished over a period of time and intended to achieve a particular tactic.

Operation – Action – The functions, processes, or tasks affected by the tactic (decision).

Result – Value – The measurable outcomes of operations taken in order to produce value.

The Management Framework is an essential part of the annual budget process. Using this approach, departments reporting to the County Administrator align their budget requests to countywide strategic priorities. Departments and agencies outside of the County Administrator's purview, including the courts and other elected officials, have the option to utilize the Management Framework, but are not required to do so. To view information presented within the context of the Management Framework, visit section IV of the [2021 Budget Document](#).



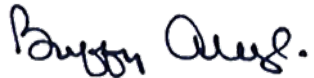
AWARDS AND ACKNOWLEDGEMENTS

The list below includes some of the numerous awards received by Gwinnett County departments in 2020. A complete list can be found at GwinnettStandard.com.

- *Certificate of Achievement for Excellence in Financial Reporting* from the Government Finance Officers Association
- *Distinguished Budget Presentation Award* from the Government Finance Officers Association
- *Excellence in Procurement Award* from the National Purchasing Institute
- Six National Association of Counties *Achievement Awards* for E-gov applications, the Trails Master Plan, Connected Vehicles Master Plan, Transportation's new hire orientation, the firefighter/paramedic trainee program, and Planning & Development's outreach to diverse communities
- *2020 Mission: Lifeline® EMS Gold Level Recognition Award* to Gwinnett Fire and Emergency Services from the American Heart Association
- *Lifesaving Award* for Collective Impact to the Gwinnett Animal Shelter from Best Friends Animal Society
- *National Counties Survey 2020 Award* from the Center for Digital Government
- 2020 Georgia Hispanic Construction Association *Business Scope Award*
- *Plant of the Year Award* for Lanier Filter Plant and Water Reclamation Facility of the Year Award for the Crooked Creek Water Reclamation Facility from the Georgia Association of Water Professionals
- *2020 Engineering Excellence Award* for the Beaver Run Wastewater Pump Station Digital Twin Pilot project from the America Council of Engineering Companies
- *2020 President's Circle Award* and *Governor's Circle Award* to Gwinnett Clean & Beautiful from Keep America Beautiful
- *2020 Tom Petri Recreational Trails Program Achievement Award* for the Countywide Trails Master Plan from the Coalition for Recreational Trails

This document is made possible by the commitment of Financial Services staff throughout the year and especially during the annual audit and Comprehensive Annual Financial Report preparation. We recognize and appreciate the willingness of each County department and agency to work together toward common goals to benefit Gwinnett's residents. We thank independent auditors Mauldin & Jenkins, CPAs & Advisors, for their assistance. We also extend appreciation and thanks to Chairwoman Nicole L. Hendrickson, the District Commissioners, County Administrator Glenn P. Stephens, and Deputy County Administrator/CFO Maria Woods for their support, guidance, and advice in planning and conducting the County's financial activities in a responsible and progressive manner. Our continued solid financial position is a tribute to their dedication.

Respectfully submitted,



Buffy Alexzulian
Director of Financial Services

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Gwinnett County for its comprehensive annual financial report for the fiscal year ended December 31, 2019.



Government Finance Officers Association

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

Presented to

**Gwinnett County
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

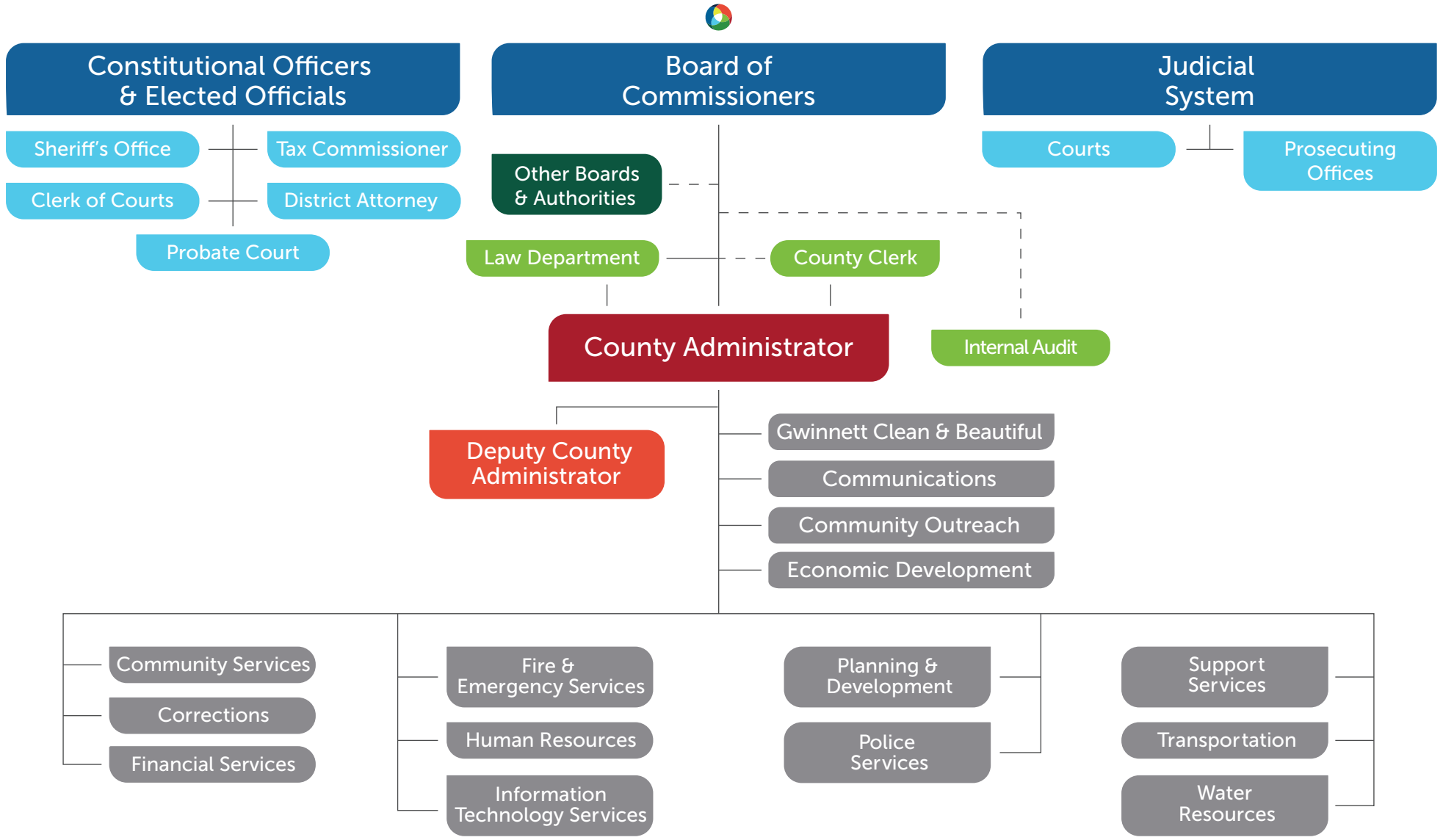
Christopher P. Morill

Executive Director/CEO

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

GWINNETT COUNTY ORGANIZATIONAL CHART

Gwinnett County Residents



COUNTY ADMINISTRATION & DEPARTMENT DIRECTORS

County Administrator

Glenn P. Stephens

Deputy County Administrator/ Chief Financial Officer

Maria Woods

County Attorney

Mike Ludwiczak

Community Services

Tina Fleming, *Director*

Corrections

Darrell Johnson, *Warden*

Financial Services

Buffy Alexzulian, *Director*

Fire and Emergency Services

Chief Russell Knick

Human Resources

Vicki Casella, *Director*

Information Technology Services

Dorothy Parks, *Director/CIO*

Planning and Development

Susan Canon, *Director*

Police Services

Chief Brett West

Support Services

Angelia Parham, *Director*

Transportation

Lewis Cooksey, *P.E., Director*

Water Resources

Tyler Richards, *Director*

ELECTED OFFICIALS

Clerk of Court

Tiana P. Garner

District Attorney

Patsy Austin-Gatson

Chief Magistrate Court Judge

Kristina Hammer Blum

Probate Court Judge

Christopher A. Ballar

Sheriff

Keybo Taylor

Solicitor

Brian Whiteside

Tax Commissioner

Tiffany Porter

State Court Judges

Pamela D. South, *Chief Judge*

Carla E. Brown

Emily J. Brantley

Shawn F. Bratton

Ronda Colvin Leary

Veronica Cope

Howard E. Cook, *Senior Judge*

Joseph C. Iannazzone, *Senior Judge*

Robert W. Mock Sr., *Senior Judge*

Superior Court Judges

George F. Hutchinson III, *Chief Judge*

R. Timothy Hamil

Ronnie K. Batchelor

Warren P. Davis

Karen E. Beyers

Tracey D. Mason

Tracie H. Cason

Tadia D. Whitner

Angela D. Duncan

Deborah R. Fluker

Tamela L. Adkins

K. Dawson Jackson, *Senior Judge*

Fred A. Bishop Jr., *Senior Judge*

Debra K. Turner, *Senior Judge*

Tom Davis, *Senior Judge*

Melodie Snell Conner, *Senior Judge*

JUDICIALLY APPOINTED OFFICIALS

Juvenile Court Judges

Robert Waller

Rodney Harris

Nhan-Ai Simms

Recorder's Court Judges

Michael Greene, *Chief Judge*

Kathrine Armstrong

Wesley Person

Clerk of Recorder's Court

Jeff C. West

Court Administrator

Philip M. Boudewyns

GWINNETT COUNTY

DEPARTMENT OF
FINANCIAL SERVICES

Department Director

Deputy Director

Purchasing
Division

Standards &
Controls
Division

Office of
Strategy &
Performance
Management

Deputy Director

Budget
Division

Grants
Management
Division

Deputy Director

Accounting
Division

Tax
Assessor
Division

Treasury
Division

ACCOUNTING DIVISION

Jim **Frihart**, CPA, Director

Adam **Garmon**, CPA, Accounting Manager

Penny **Purchell**, CPA, CPFO, Financial Reporting Manager

Dana **Brunson**, Financial Analyst

Alicia **Carmon**, Financial Analyst

Deirdre **Diggs**, Financial Analyst

Tina **Dones**, Financial Analyst

Suhelly **Lopez**, Financial Analyst

Anna **Payne**, Financial Analyst

Erika **Rivera**, Financial Analyst

Denise **Troup**, Financial Analyst





FINANCIAL SECTION

Independent Auditors' Report
Management's Discussion and Analysis



INDEPENDENT AUDITORS' REPORT

**The Board of Commissioners of Gwinnett County
Lawrenceville, 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 **Gwinnett County, Georgia** (the "County"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Gwinnett County Board of Health, which represents 6%, 21%, and 24%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gwinnett County Board of 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 from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of 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 Gwinnett County, Georgia, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund, the Fire and EMS District Fund, the Police Services District Fund, and the CARES Act Grant Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the County's Net Pension Liability and Related Ratios, the Schedule of County Contributions - Pension, the Schedule of Changes in the County's Net OPEB Liability and Related Ratios, and the Schedule of County Contributions - OPEB on pages 23 through 40, pages 129, 130, 132, and 133, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual non-major fund financial statements and schedules; the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the introductory, statistical, and disclosure sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

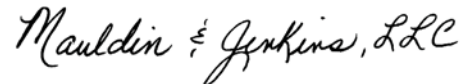
The combining and individual non-major fund financial statements and schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 non-major fund financial statements and schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory, statistical, and disclosure 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 June 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Atlanta, Georgia
June 30, 2021

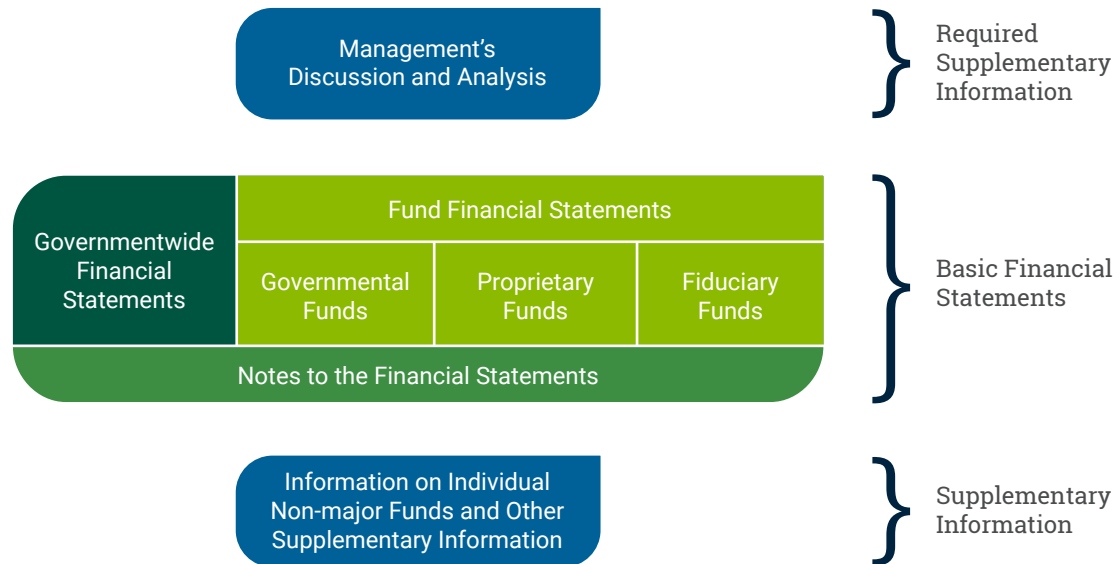


MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Gwinnett County, Georgia, we offer readers of Gwinnett County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020. This discussion is intended to: 1) assist the reader in understanding significant financial issues; 2) provide an overview of the County's financial activities; 3) identify changes in the County's financial position; 4) identify material deviations from the original budget; and 5) identify individual fund issues or concerns. We encourage readers to consider the information presented within this section in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Overview of the Financial Statements

This document is arranged in the following format:



The County's basic audited financial statements are comprised of three components: 1) governmentwide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This section also contains required supplementary information.

Governmentwide financial statements: The governmentwide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private-sector business reporting. All governmental and business-type activities are combined to arrive at a total for the primary government. There are two governmentwide statements, the statement of net position and the statement of activities, which are produced using the accrual basis of accounting. Additional information on the accrual basis of accounting can be found in [Note 1 \(C. Measurement focus, basis of accounting, and financial statement presentation\)](#) on pages 71 – 72 of this report.

The statement of net position presents information on all of the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources (for all fund types except fiduciary), with the difference between these reported as net position. Increases or decreases in net position serve as a useful indicator of whether the financial position of the County is improving or deteriorating. This statement combines the governmental funds' current financial resources (short-term) with capital assets and long-term liabilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. The format of this statement is very different from a traditional "income statement." The format is intended to portray the extent to which governmental activities are funded by taxes and the extent to which business-type activities are supported by the revenues they generate. The statement presents all underlying events giving rise to the changes in net position, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave).

Each of the governmentwide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, judiciary, public works, health and welfare, culture and recreation, housing and development, tourism, and development authority. The business-type activities of the County include water and sewer, airport, economic development, solid waste, stormwater, and transit.

The governmentwide financial statements include Gwinnett County itself (known as the primary government), the Public Library System, the Gwinnett County Development Authority, and the Gwinnett County Health Department. These legally separate entities are designated as component units of the County 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 Water and Sewerage Authority, the Airport Authority, the Recreation Authority, the Public Facilities Authority, the Stormwater Authority, and the Urban Redevelopment Agency, although also legally separate, operate solely on behalf of departments of the County and therefore are included as integral parts of the primary government.

The governmentwide financial statements can be found on pages 42 – 44 of this report. The component unit combining statements are presented on pages 64 – 66.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Gwinnett County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Gwinnett County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is more limited than that of the governmentwide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmentwide financial statements. By doing so, 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 provide a reconciliation to facilitate this comparison between governmental funds and governmental activities (in the governmentwide financial statements).

The County maintains separate governmental funds to account for the following activities: General; Special Revenue (Fire and Emergency Medical Services District, Police Services District, Street Lighting, Speed Hump, Authority Imaging, Juvenile Court Supervision, Tree Bank, Tourism, Stadium, Sheriff Special Justice, Sheriff Special Treasury, Sheriff Special State, Police Special Justice, Police Special State, Crime Victims Assistance, District Attorney Federal Justice Asset Sharing, District Attorney Federal Treasury Asset Sharing, Corrections Inmate Welfare, Sheriff Inmate, E-911, Loganville Emergency Medical Services District, Development and Enforcement Services District, Recreation District, Economic Development Tax, The Exchange at Gwinnett TAD, Jimmy Carter Boulevard TAD, Indian Trail TAD, Park Place TAD, Lake Lucerne TAD, Gwinnett Place TAD, CARES Act Grant, and Miscellaneous Grant); Capital Projects (2009 Sales Tax, 2014 Sales Tax, 2017 Sales Tax, and Other Capital Projects); and The Exchange at Gwinnett TAD Debt Service. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Fire and Emergency Medical Services District, CARES Act Grant, Police Services District, Other Capital Projects, 2009 Sales Tax, 2014 Sales Tax, and 2017 Sales Tax Funds, all of which are considered to be major funds. Data from the other (non-major) governmental funds are combined into a single, aggregated column.

Governmental funds are reported on the modified accrual basis of accounting. Information on the modified accrual basis of accounting can be found in [Note 1 \(C. Measurement focus, basis of accounting, and financial statement presentation\)](#) on page 72 of this report.

Gwinnett County adopts an annual appropriated budget for its general, special revenue, and debt service funds. Budgets for capital projects funds are adopted as multi-year project budgets and appropriated annually; any unspent budget at the end of the year is rolled forward to the next year. A budgetary comparison statement has been provided for the [General Fund, Fire and EMS District Fund, Police Services District Fund](#), and [CARES Act Grant Fund](#). These statements are found on pages 50 – 54. The basic governmental fund financial statements can be found on pages 45 – 49.

Proprietary funds: Gwinnett County maintains two different types of proprietary funds. Enterprise funds are used to account for quasi-business functions where revenues typically come from charges or fees (water usage, airport rental, etc.) rather than taxes. The County uses enterprise funds to account for its water and sewer, airport, solid waste, stormwater, economic development, and transit activities. Internal service funds are an accounting mechanism used to accumulate and allocate costs internally among the County's various functions based on usage. The County uses internal service funds to account for its administrative support, fleet, group self-insurance, risk management, and auto liability activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the governmentwide financial statements.

Gwinnett County adopts an annual budget for management purposes for its enterprise and internal service funds. Proprietary fund financial statements provide the same type of information as the governmentwide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water and Sewerage and Stormwater, which are considered to be major funds of the County. Data from the other (non-major) enterprise funds are combined into a single, aggregated column. Internal services funds are also presented in a single column.

The basic proprietary fund financial statements, which are reported on the accrual basis of accounting, can be found on pages 56 – 61 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the governmentwide financial statements because the resources of those funds are not owned by or available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds, and their financial statements are reported on the accrual basis of accounting as well. Gwinnett County maintains seven fiduciary funds, called custodial funds, for Tax Commissioner, Clerk of the Courts, Recorder's Court, Sheriff, Probate Court, Juvenile Court, Corrections, and District Attorney. The custodial funds are presented in total in one column in the [Fiduciary Funds Statement of Fiduciary Net Position](#) on page 62. The County also maintains fiduciary funds for Pension and Other Post-Employment Benefits trust funds. These funds are aggregated and presented on pages 62 – 63.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmentwide and fund financial statements. The notes to the financial statements can be found on pages 67 – 128 of this report.

FINANCIAL HIGHLIGHTS

- Gwinnett County's assets and deferred outflows of resources exceeded liabilities and deferred inflows at December 31, 2020, by \$7,607,754,000 (net position). Of this amount, \$523,032,000 (unrestricted net position) may be used to meet the government's ongoing obligations to residents and creditors. For more information, see page 27.
- As of December 31, 2020, the County's governmental funds reported combined fund balances of \$1,279,753,000, an increase of \$86,725,000, or 7.3 percent, when compared to the prior year. Of the \$1,279,753,000 total governmental fund balance, \$152,070,627 remains in the General Fund as unassigned. For more information, see pages 32 – 34.
- At December 31, 2020, the County's General Fund reported a fund balance of \$173,289,000, a decrease of \$3,032,000, or 1.7 percent, from last fiscal year. For more information, see page 33.
- As of December 31, 2020, the County's enterprise funds reported a combined net position of \$3,988,966,000, an increase of \$178,694,000, or 4.7 percent, when compared to the prior year. Of the \$3,988,966,000 total enterprise fund net position, \$312,276,000 remains in the funds as unrestricted. The largest enterprise fund is the Water and Sewerage Fund, which is discussed in more detail in the business-type activities section on page 31.
- Since 1997, the County has maintained a AAA credit rating from each of the three rating agencies that review public sector debt.
- Gwinnett County's long-term bonds increased by \$158,760,000 during the current fiscal year. The change resulted primarily from the issuance of \$176.9 million par value bonds with a premium of \$14.5 million through the Water and Sewerage Authority to fund improvements and extensions to the water and sewerage system and \$38.5 million in tax allocation district bonds to fund The Exchange at Gwinnett Redevelopment Project. The County also retired \$1.3 million of the Urban Redevelopment revenue bonds and \$55.3 million of the water and sewerage revenue bonds.
- In 2020, the County received \$197.2 million in grant funds through the *Coronavirus Aid, Relief, and Economic Security Act* and the *Families First Act*. These funds were allocated for eligible expenditures related to the COVID-19 pandemic. These expenditures include \$29.9 million in Coronavirus Relief Funds allocated to nonprofit and faith-based partners providing critical services to those impacted by COVID-19, \$25.6 in financial assistance for small businesses, \$25.0 million pass through funding to municipalities, \$5.0 million to support the Gwinnett County Health Departments' efforts to respond to the public health emergency, and \$68.4 million utilized for County support such as public safety, emergency food assistance, technology enhancements, PPE acquisition, and public health outreach.
- The COVID-19 pandemic presented uncertainties and challenges for Gwinnett County in 2020, both financially and operationally. Certain revenues and expenses/expenditures were impacted by the pandemic. Despite the financial challenges presented by the pandemic, Gwinnett County's strong financial position, adequate reserve levels, and ability to adapt to changing conditions have enabled the County to continue to maintain cash flow and end the year in a favorable financial position.



GOVERNMENTWIDE FINANCIAL ANALYSIS

As previously noted, over time net position serves as a useful indicator of a government's financial position. In the case of Gwinnett County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$7,607,754,000 at the close of the most recent fiscal year. This represents an increase of \$371,828,000, or 5.1 percent, from fiscal year 2019.

Gwinnett County's Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 1,590,862	\$ 1,388,655	\$ 711,296	\$ 530,135	\$ 2,302,158	\$ 1,918,790
Capital assets	2,758,193	2,638,056	4,124,408	3,998,752	6,882,601	6,636,808
Total assets	4,349,055	4,026,711	4,835,704	4,528,887	9,184,759	8,555,598
Deferred outflows of resources	12,538	32,640	9,354	14,394	21,892	47,034
Long-term liabilities outstanding	522,607	489,462	731,218	616,112	1,253,825	1,105,574
Other liabilities	98,802	70,914	102,969	103,220	201,771	174,134
Total liabilities	621,409	560,376	834,187	719,332	1,455,596	1,279,708
Deferred inflows of resources	123,032	73,206	20,269	13,792	143,301	86,998
Net position:						
Net investment in capital assets	2,560,271	2,493,968	3,648,790	3,463,383	6,209,061	5,957,351
Restricted	847,761	755,674	27,900	25,869	875,661	781,543
Unrestricted	209,120	176,127	313,912	320,905	523,032	497,032
Total net position	\$ 3,617,152	\$ 3,425,769	\$ 3,990,602	\$ 3,810,157	\$ 7,607,754	\$ 7,235,926

By far, the largest portion of the County's net position (81.6 percent) at December 31, 2020, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to residents; 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 are not planned to be used to liquidate these liabilities.

An additional portion of the County's net position (11.5 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$523,032,000) may be used to meet the government's ongoing obligations to residents and creditors. For more information on fund balances and net position, see [Note 14](#).

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position for the government as a whole, as well as for its separate governmental and business-type activities. Growth in net position is an indication that the County's financial position has improved over 2019.

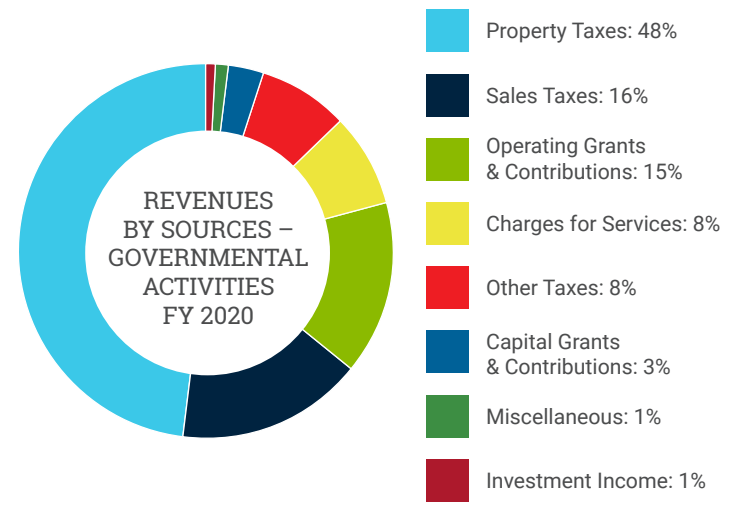
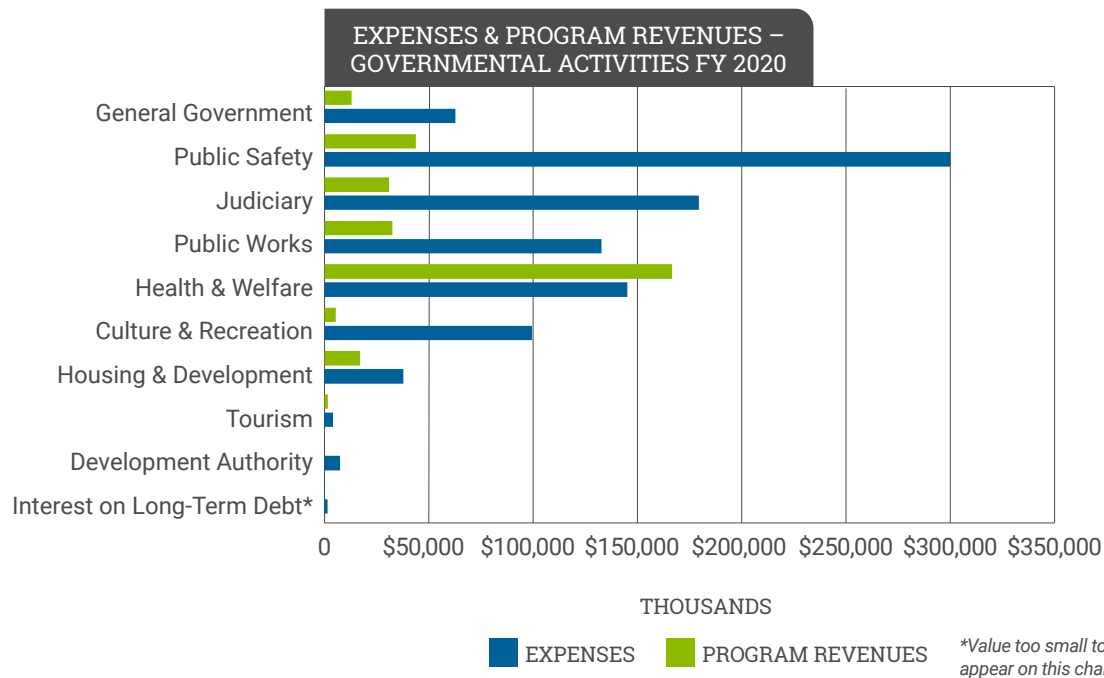
Gwinnett County's Changes In Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 99,295	\$ 110,012	\$ 413,597	\$ 415,730	\$ 512,892	\$ 525,742
Operating grants and contributions	173,177	9,388	13,588	6,852	186,765	16,240
Capital grants and contributions	37,420	44,781	94,425	86,633	131,845	131,414
General revenues:						
Property taxes	557,777	485,073	—	—	557,777	485,073
Sales taxes	183,774	172,255	—	—	183,774	172,255
Other taxes	90,030	87,980	—	—	90,030	87,980
Investment income	10,478	18,908	5,662	12,211	16,140	31,119
Other	18,140	7,986	—	—	18,140	7,986
Total revenues	1,170,091	936,383	527,272	521,426	1,697,363	1,457,809
Expenses						
General government	62,521	50,778	—	—	62,521	50,778
Public safety	298,990	313,878	—	—	298,990	313,878
Judiciary	178,878	189,966	—	—	178,878	189,966
Public works	132,300	124,018	—	—	132,300	124,018
Health and welfare	144,700	16,044	—	—	144,700	16,044
Culture and recreation	99,104	99,407	—	—	99,104	99,407
Housing and development	36,611	30,647	—	—	36,611	30,647
Tourism	4,057	3,981	—	—	4,057	3,981
Development authority	7,328	6,868	—	—	7,328	6,868
Interest on long-term debt	2,457	104	—	—	2,457	104
Water and sewer	—	—	258,744	254,803	258,744	254,803
Airport	—	—	1,713	1,645	1,713	1,645
Economic development	—	—	3,175	3,253	3,175	3,253
Solid waste	—	—	42,415	38,079	42,415	38,079
Stormwater	—	—	28,536	22,954	28,536	22,954
Transit	—	—	24,006	22,512	24,006	22,512
Total expenses	966,946	835,691	358,589	343,246	1,325,535	1,178,937
Increase in net position before transfers	203,145	100,692	168,683	178,180	371,828	278,872
Transfers	(11,762)	(18,220)	11,762	18,220	—	—
Increase in net position after transfers	191,383	82,472	180,445	196,400	371,828	278,872
Net position – January 1	3,425,769	3,343,297	3,810,157	3,613,757	7,235,926	6,957,054
Net position – December 31	\$ 3,617,152	\$ 3,425,769	\$ 3,990,602	\$ 3,810,157	\$ 7,607,754	\$ 7,235,926

Governmental activities: Governmental activities increased the County's net position by \$191,383,000, thereby accounting for 51.5 percent of the total growth in net position.

- Revenues increased by \$233.7 million, primarily due to increases in operating grants and contributions (\$163.8 million), property taxes (\$72.7 million), sales taxes (\$11.5 million), other revenues (\$10.2 million), and other taxes (\$2.0 million). These increases were offset by decreases in charges for services (\$10.7 million), investment income (\$8.4 million), and capital grants and contributions (\$7.4 million). Operating grants and contributions increased due to the CARES Act grant used to cover hazard pay and eligible expenditures for those impacted by the COVID-19 pandemic, and an elections grant used for safe and secure elections in Gwinnett. The increase in property taxes is attributable to an improving digest characterized by rising home values, new construction, millage rate increases in the Police and Recreation districts, and a new economic development property tax. Investment income decreased due to declining interest rates on short-term securities, which is where the bulk of the County's investments reside. Additionally, fewer funds were available to invest in the latter part of 2020 due to the delay in property tax collections.
- General government expenses increased by \$11.7 million, primarily from increases in general operating expenses (\$5.6 million), personal services (\$4.6 million), intergovernmental payments to others (\$3.2 million), and contributions for self-funded insurance and indirect costs (\$1.7 million). The increases were offset by decreases due to the effects of recording pension and OPEB expense allocations (\$2.4 million), internal service fund expense allocations (\$0.6 million), and project-related expenses (\$0.6 million) in the governmentwide statements.
- Public safety expenses decreased by \$14.9 million, primarily from decreases due to the effects of recording pension and OPEB expense allocations (\$29.0 million), internal service fund expense allocations (\$4.6 million) and project-related expenses (\$1.2 million) in the governmentwide statements. The decreases were offset by an increase in personal services (\$16.6 million) due to pandemic-related hazard pay, an increase in the number of police and fire positions, and pay-for-performance increases, as well as increases in contributions for self-funded insurance and indirect costs (\$3.9 million).
- Judiciary expenses decreased by \$11.1 million, primarily due to the effects of recording pension and OPEB expense allocations (\$12.4 million) and internal service fund expense allocations (\$3.0 million) in the governmentwide statements, and a decrease in operating expenses (\$3.0 million). These decreases were primarily offset by increases in contributions for self-funded insurance and indirect costs (\$4.9 million) and personal services (\$2.0 million).
- Public works expenses increased by \$8.3 million, primarily due to the effect of recording project-related expenses (\$13.2 million) and intergovernmental expense allocations (\$1.4 million) in the governmentwide statements, increases in personal services (\$1.5 million), and increases in contributions for self-funded insurance and indirect costs (\$0.2 million). These increases were offset by a decrease in asset contributions to enterprise funds (\$5.1 million) as well as decreases due to the effect of recording pension and OPEB expense allocations (\$2.1 million) and internal service fund expense allocations (\$0.5 million) in the governmentwide statements, and decreases in operating expenses (\$0.3 million).

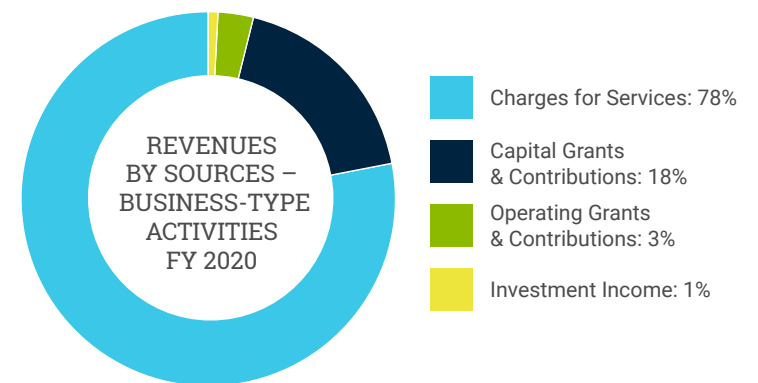
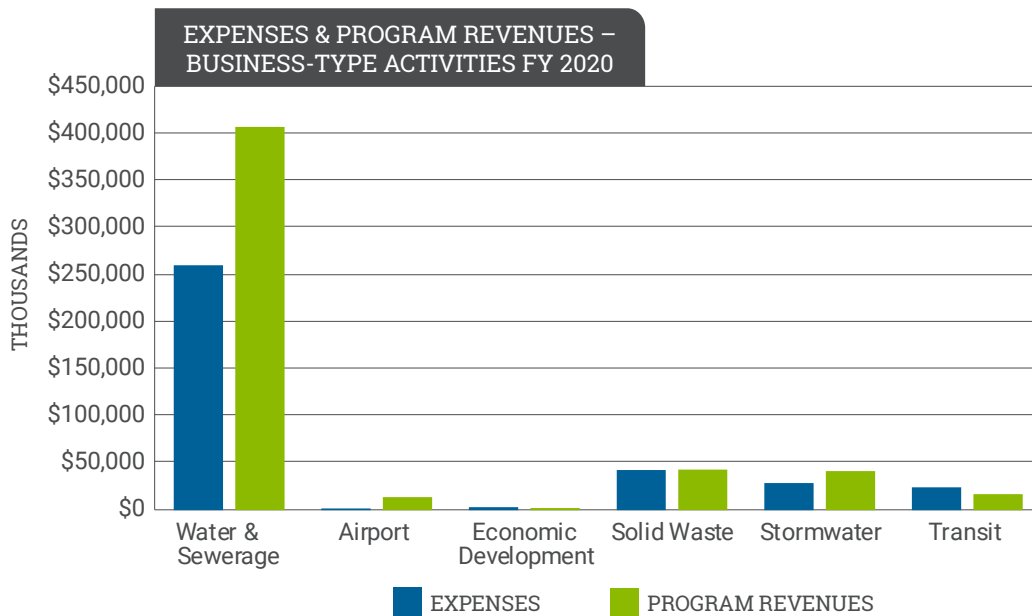




- Housing and development expenses increased by \$6.0 million, primarily due to increases in redevelopment costs related to The Exchange at Gwinnett Tax Allocation District (\$7.7 million); the effect of recording project-related expenses (\$1.6 million) in the governmentwide statements; an increase in personal services (\$1.1 million), and a contribution to the Development Authority (\$0.4 million). These increases were offset by decreases in grant payments to other agencies (\$2.7 million), decreases due to the effect of recording pension and OPEB expense allocations (\$1.7 million) in the governmentwide statements, and decreases in contributions for self-funded insurance and indirect costs (\$0.4 million).
- Culture and recreation expenses decreased by \$0.3 million, primarily due to the cancellation of camps and classes during the COVID-19 pandemic (\$1.6 million) and the effect of recording pension and OPEB expense allocations (\$2.2 million) in the governmentwide statements. These decreases were offset by increases in contributions for self-funded insurance and indirect costs (\$2.7 million) and personal services (\$0.8 million).
- Health and welfare expenses increased by \$128.7 million, primarily due to the COVID-19 pandemic. There were payments to other agencies for CARES Act grant-related expenditures (\$73.4 million), increases in operating expenses (\$34.9 million), and personal services (\$21.9 million). These increases were primarily offset by decreases in project-related expenses (\$1.0 million) and the effect of recording pension and OPEB expense allocations (\$0.5 million) in the governmentwide statements.

Business-type activities: Business-type activities increased the County’s net position by \$180,445,000, accounting for 48.5 percent of the total growth in the government’s net position. Key elements of this increase were as follows:

- In 2020, the Water and Sewerage Fund reported an increase in net position of \$148,403,000, which was 2.6 percent lower than the 2019 increase in net position. The primary factors contributing to the 2020 increase in net position include operating income of \$91.4 million and capital contributions of \$67.9 million (from system development charges and developer donations of capital assets). Revenues were down slightly, less than 1.0 percent, compared to the prior year – high rainfall levels and the COVID-19 pandemic negatively impacted commercial revenues and late fees. Operating expenses increased \$9.0 million, or 3.8 percent, from the prior year. The increase was primarily attributable to increases in distribution and collection (\$7.3 million), reclamation (\$5.6 million), engineering (\$1.2 million), and water production (\$1.0 million). The increases were offset by decreases in general and administrative expenses (\$3.6 million) and depreciation (\$2.5 million).
- The Stormwater Fund reported operating income of \$1.9 million, which was \$6.1 million lower than 2019. The fund ended the year with an increase in net position of \$13,311,000, which is down \$15.4 million from last year’s increase. This decrease in the change in net position was primarily due to an \$8.9 million increase in capital expenses and a decrease of \$8.6 million in capital contributions from developers when compared to 2019.
- The Airport Fund reported an increase in net position of \$11.9 million, which was an increase of approximately \$6.5 million from the 2019 change in net position, primarily due to an \$8.7 million increase in capital contributions related to federal grants for airport improvements offset by a decrease in net transfers from other funds of \$1.7 million.
- The Solid Waste Fund reported an increase in net position of \$1.2 million, which was approximately \$2.9 million less than the 2019 change in net position. This decrease in the change in net position was primarily due to an increase in operating revenues of approximately \$2.3 million offset by an increase in operating expenses of \$4.4 million related to a hauler rate increase and a decrease in investment earnings of \$0.9 million.
- The Transit Fund reported an increase in net position of \$5.0 million, which was approximately \$3.3 million more than the 2019 change in net position. This is primarily related to the Federal Transit Administration CARES Act grant, which was used to pay some of the fund’s expenses. Charges for services were down \$2.5 million in 2020 because of the temporary suspension of fare box collections due to the COVID-19 pandemic.
- The Economic Development Fund reported a decrease in net position of \$1.1 million, which was approximately \$4.1 million less than the 2019 change in net position, primarily due to a decrease in transfers from other funds and a decline in facility rentals due to the suspension of film production during the COVID-19 pandemic.



FINANCIAL ANALYSIS OF THE GOVERNMENT'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 County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements and its performance in relation to the annual budget. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available at the end of the fiscal year.

As of the end of fiscal year 2020, the County's governmental funds reported combined ending fund balances of \$1,279,753,000, an increase of \$86,725,000 in comparison with the prior year. This increase is approximately \$44.6 million greater than the 2019 increase in fund balances. Overall, revenues were up \$224.3 million, expenditures were up \$198.5 million, and net other financing sources were up \$18.9 million.

Major factors that contributed to the increase in governmental fund revenues included:

- An increase in intergovernmental revenues of \$162.2 million due to funding received from the *CARES Act* and *Families First Act* grants
- An increase in property tax revenues of nearly \$67.9 million due to increasing home values, new construction, millage rate increases in the Police and Recreation districts, and a new economic development property tax
- An increase in sales tax revenues of \$11.5 million
- An increase in miscellaneous revenues of \$10.3 million
- An increase in insurance premium taxes of just over \$2.6 million
- A decrease in investment income of \$13.1 million due to declining interest rates and fewer funds available to invest as a result of a delay in property tax collections
- A decrease in charges for services of \$9.2 million due to the cancellation of recreation classes, fewer facility rentals, reduced activity in the courts during the COVID-19 pandemic, and a change in legislation that affected the timing of when E-911 revenues were received.
- A decrease in hotel-motel taxes of \$5.2 million due to reduced occupancy and occupancy rates in 2020 as a result of the COVID-19 pandemic
- A decrease in fines of approximately \$2.1 million due to reduced activity in the courts resulting from the COVID-19 pandemic

Major factors that contributed to the overall increase in governmental fund expenditures included:

- An increase of \$73.8 million in *CARES Act* grant program expenditures for payments to others
- An increase in salaries and benefits of almost \$53.1 million as a result of adding necessary personnel in 2020 and pandemic-related hazard pay
- An increase in general operating expenditures of \$35.5 million, primarily due to increases in costs for repairs and maintenance, license support agreements, and supplies
- An increase in capital expenditures of \$18.1 million. Capital outlay expenditures fluctuate from year to year as new projects are started and others are completed. Capital projects in progress for 2020 include the Gwinnett Entrepreneur Center; One Justice Square third and fourth floor renovations; new Juvenile Courtroom build out; new Georgia State Patrol facility; Gwinnett Justice and Administration Center courthouse addition, and multiple road improvement projects, such as the State Route 316 at Harbins Road interchange.
- An increase in contributions for self-funded insurance and indirect costs of \$13.1 million
- An increase in contributions to the Development Authority of \$0.9 million

The following paragraphs discuss the individual major governmental funds.

The General Fund is the primary tax and operating fund for all County revenues and expenditures that are not restricted to, or accounted for, in other funds. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$152,070,627, which is above the required fund balance reserve of three months operating expenditures including transfers out. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 50.3 percent of General Fund expenditures. Total fund balance decreased \$3.0 million, as compared to an increase of \$17.1 million in 2019. This decrease of approximately \$20.1 million in operating results from 2019 is attributed to a combination of factors:

- An increase in revenues of \$40.3 million, primarily due to increases in real and personal property taxes related to new home construction and increasing home values; contributions and donations, primarily due to an elections grant to assist with planning a safe and secure election; and the movement of the Licensing and Revenue Section of Planning and Development to the General Fund
- An increase in transfers to other funds by approximately \$26.4 million due to an increase in transfers to capital funds (\$34.3 million), primarily due to the movement of the Licensing and Revenue Section of Planning and Development to the General Fund from the Police Services District Fund, offset by decreases in transfers to Fire and EMS, Police, and Development and Enforcement Services District Funds due to a change in TAVT distribution (\$4.9 million); transfers to the Airport Fund (\$1.8 million); and transfers to the Transit Fund (\$1.2 million)
- An increase in expenditures of \$25.7 million, primarily due to an increase in contributions to internal service funds of \$10.0 million for indirect cost allocations; an increase of \$8.8 million in personal services due to new positions, pay-for-performance increases, and an increase in poll workers associated with the 2020 elections; increases in general operating expenditures of \$3.4 million for professional services; and an increase in subsidies of \$0.6 million
- A decrease in transfers from other funds of \$8.3 million, primarily due to the transfer of the remaining balance in the General Obligation Debt Service Fund to the General Fund in 2019 (\$8.5 million), offset by an increase in transfers from grant funds (\$0.2 million)

The Fire and Emergency Medical Services District Fund accounts for the revenues and expenditures attributable to the Fire and EMS District. This district includes all properties within unincorporated Gwinnett County and all cities except Loganville. At the end of fiscal year 2020, restricted fund balance was \$67,698,000, which is above the required fund balance reserve of three months of normal operating expenditures and represents a decrease of \$0.7 million from the fiscal year 2019 restricted fund balance. Revenues increased \$3.4 million, primarily due to an increase in property tax revenues resulting from an increasing digest, offset by a decrease in charges for services due to a decline in the number of ambulance transports. Expenditures increased \$11.1 million, primarily due to increases in salary and overtime costs of \$8.6 million associated with pay-for-performance increases, and new positions, as well as an increase in contributions to internal service funds of \$2.6 million for risk management and indirect cost allocations.



The Police Services District Fund accounts for the revenues and expenditures attributable to the Police Services District. This district includes all properties within unincorporated Gwinnett County and cities that do not operate their own police departments (Berkeley Lake, Buford, Grayson, Dacula, Peachtree Corners, Rest Haven, and Sugar Hill). At the end of fiscal year 2020, restricted fund balance was \$87,386,000, which is above the required fund balance reserve of three months of operating expenditures and represents an increase of \$3.6 million from the fiscal year 2019 restricted fund balance. Revenues increased \$6.3 million, primarily due to increases in property tax (rise in the millage rate) and insurance premium tax revenues. The increases are offset by declines in occupation tax revenue due to the movement of the Licensing and Revenue Section of Planning and Development to the General Fund as well as declines in fines and forfeitures revenue. Expenditures increased \$7.6 million, primarily due to salary and overtime costs of \$7.0 million associated with pay-for-performance increases and new positions, and an increase in general operating expenditures of \$0.2 million.

The CARES Act Grant Fund, established in 2020, accounts for funds received under the federal CARES Act grant program. At the end of fiscal year 2020, the fund balance of the CARES Act Grant Fund was \$28,000,000. Revenues exceeded program expenditures by \$28.5 million. Transfers of \$0.5 million were made to the Police Services District Fund to reimburse eligible expenditures.

The Other Capital Projects Fund accounts for the financial resources to be used for the purchase and construction of major capital facilities and equipment, other than those accounted for in specific funds. At the end of fiscal year 2020, the fund balance of the Other Capital Projects Fund was \$344,612,000, representing an increase of \$31.4 million from 2019. Expenditures exceeded revenues by \$49.5 million and were offset by transfers in of \$97.6 million. In addition, issuance of capital lease obligations were \$16.3 million and transfers out were \$33.0 million. Transfers to the capital projects fund increased approximately \$45.5 million from the prior year. Expenditures were \$36.1 million lower in 2020 due to the timing of capital projects. Capital outlay expenditures fluctuate from year to year as new projects are started and others are completed. Significant capital projects are discussed in the capital assets section of the analysis on [page 36](#).

The 2009 Sales Tax Fund accounts for the financial resources provided from the 2009 one percent Special Purpose Local Option Sales Tax. Such funds were approved by voter referendum for libraries, parks and recreation, public safety, and transportation projects. At the end of fiscal year 2020, the 2009 Sales Tax Fund reported a fund balance of \$18,387,000. Expenditures exceeded revenues by \$59.2 million. This is expected as sales tax revenues are no longer being collected under the 2009 program, and the County is focused on spending down the fund balance to close the fund.

The 2014 Sales Tax Fund accounts for the financial resources provided from the 2014 one percent Special Purpose Local Option Sales Tax. Such funds were approved by voter referendum for libraries, parks and recreation, public safety, senior service facilities, and transportation projects. At the end of fiscal year 2020, the 2014 Sales Tax Fund reported a fund balance of \$85,288,000. Expenditures exceeded revenues by \$25.7 million. This is expected as sales tax revenues are no longer being collected under the 2014 program. Capital expenditures continued on eligible projects during fiscal year 2020.

The 2017 Sales Tax Fund accounts for the financial resources provided from the 2017 one percent Special Purpose Local Option Sales Tax. Such funds were approved by voter referendum for libraries, parks and recreation, public safety, senior service facilities, civic center expansion, and transportation projects. At the end of fiscal year 2020, the 2017 Sales Tax Fund reported a fund balance of \$301,985,000. Revenues exceeded expenditures by \$42.9 million, as expenditures are just beginning on eligible projects. Sales tax collections started on April 1, 2017, and will be collected under the 2017 program until March 31, 2023.

Proprietary funds: The County's proprietary funds provide the same type of information related to business-type activities found in the governmentwide financial statements, but in more detail.

Unrestricted net position in the Water and Sewerage Fund at the end of fiscal year 2020 amounted to \$229,493,000. This represents a decrease of \$4,503,000 in unrestricted net position from the end of the previous year. The total increase in net position was \$148,403,000. Factors concerning the finances of this fund have already been addressed in the discussion of business-type activities on [page 31](#).

GENERAL FUND BUDGETARY HIGHLIGHTS

The original fiscal year 2020 budget was adopted with a \$42.0 million use of fund balance. As of December 31, 2020, there was a budgeted \$50.8 million use of fund balance after amendments. Due to salary savings and other budget surpluses, the fund ended the year with a use of fund balance of only \$3.1 million.

Differences between the original budget and the final amended budget amount to a net increase in budgeted expenditures and transfers out of \$46.9 million and can be summarized as follows:

- Increase of \$39.0 million in contributions, primarily due to a \$34.6 million transfer to capital projects related to the movement of the Licensing and Revenue Section of Planning and Development to the General Fund from the Police Services District Fund in line with a revised Service Delivery Strategy agreement executed in 2020
- Increase of \$7.0 million in general operating expenses, primarily due to a \$3.6 million increase in postal services, a \$3.2 million increase in payments to others, and a \$1.1 million increase in professional services

GENERAL FUND ACTUAL REVENUES AND EXPENDITURES VERSUS BUDGET

Actual revenues were \$9.8 million over budget at the end of fiscal year 2020, which was primarily attributable to taxes exceeding budget by a net of \$9,108,000 due to increasing property values, new construction, and higher than expected motor vehicle *ad valorem* tax revenues. Additionally, charges for services exceeded budget by \$722,000, intergovernmental revenues exceeded budget by \$397,000, and miscellaneous revenues exceeded budget by \$777,000. The only revenue categories that ended the year under budget were permits and licenses (\$151,000 under budget) and fines and forfeitures (\$1,053,000 under budget).

Actual expenditures were \$37.8 million under budget at the end of fiscal year 2020. The main contributing factors were as follows:

- Personal services expenditures were \$16.4 million under budget, primarily due to vacancies
- General operating expenditures were \$12.4 million under budget with the largest single line item being postal services, which was \$3.6 million under budget. Other line items that were significantly under budget include professional services, industrial supplies, jury operations, and utilities
- Unspent reserves/contingencies and allocations were \$8.0 million
- Subsidy payments ended the year \$0.4 million under budget
- Capital outlay ended the year \$0.2 million under budget

CAPITAL ASSETS

Capital assets: The County's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounted to \$6,882,601,000 (net of accumulated depreciation). Investments in capital assets included land, improvements, buildings, equipment, vehicles, infrastructure, and construction in progress.

Gwinnett County's Net Capital Assets (in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 722,018	\$ 714,742	\$ 79,603	\$ 79,249	\$ 801,621	\$ 793,991
Improvements	377,257	354,844	2,842,830	2,702,412	3,220,087	3,057,256
Buildings	585,546	595,782	601,804	607,589	1,187,350	1,203,371
Equipment	44,110	41,628	290,995	255,325	335,105	296,953
Vehicles	38,800	45,202	21,685	19,852	60,485	65,054
Infrastructure (roads, bridges, and sidewalks)	762,582	748,420	5,642	5,851	768,224	754,271
Construction in progress	227,880	137,438	281,849	328,474	509,729	465,912
Total	\$ 2,758,193	\$ 2,638,056	\$ 4,124,408	\$ 3,998,752	\$ 6,882,601	\$ 6,636,808

Total capital assets for governmental activities for 2020 totaled \$2,758,193,000, which is an increase of \$120.1 million, or 4.6 percent, over 2019. The total of governmental assets transferred from construction in progress to the asset records during the year totaled approximately \$122.5 million. Major projects consisted of the following:

- Civic center expansion (service drive and central energy plant): \$20,462,859
- Widening Pleasant Hill Road (Howell Ferry Road): \$8,671,806
- Interchange project at SR324/Gravel Springs Road and SR124/Braselton at Interstate 85: \$5,461,244
- New Hope Road at Alcovy River bridge replacement: \$5,185,542
- Springdale Road at No Business Creek bridge replacement: \$3,878,816

Total capital assets for business-type activities for 2020 totaled \$4,124,408,000, which is an increase of \$125.7 million, or 3.1 percent, over 2019. The total of business-type assets that were transferred from construction in progress to the asset records during the year totaled approximately \$237.3 million. Major projects consisted of the following:

- Distribution system rehabilitation/replacement: \$38,031,203
- Stormwater drainage improvements: \$24,363,580
- System development: \$21,752,787
- Facility rehabilitation/water production: \$21,609,617
- SCADA instrumentation programming: \$15,490,826

Additional information on the County's capital assets can be found in [Note 7](#) on pages 96 – 98 of this report.

DEBT ADMINISTRATION

Long-Term Debt: At the end of the current fiscal year the County had no general obligation debt outstanding. The County is obligated through an intergovernmental agreement for \$593.3 million in Water and Sewerage Authority revenue bonds. Debt service on these revenue bonds is paid from water and sewerage customer charges. For the Water and Sewerage Authority revenue bonds, the County would be required to pay the principal and interest on those bonds should operating revenues be inadequate. There has never been an occasion when operating revenues have not been sufficient to cover all such payments.

In addition to general obligation bonds and Water and Sewerage revenue bonds, the County issues revenue debt to fund some of its capital needs through economic development or lease agreements between the County and the applicable authority/agency. The County is obligated for \$67.7 million in revenue bonds issued through the Development Authority to fund redevelopment and development projects and \$32.5 million in revenue bonds issued through the Urban Redevelopment Agency. Also, the County has lease agreements totaling \$150.1 million with the Development Authority for bond issues to fund the Gas South District expansion, the original Gas South Arena and parking deck, and the Coolray Field baseball stadium.

In 2020, the County issued \$38.5 million in revenue bonds to finance infrastructure and other redevelopment costs within a specifically defined area, The Exchange at Gwinnett tax allocation district. The tax allocation district bonds are limited obligations of the County that are secured solely from the pledged tax increment revenues of the tax allocation district. The County has no obligation to pay this debt service beyond the amount of the pledged tax increment revenues.

Gwinnett County's Outstanding Debt Revenue Bonds, Leases, and Contractual Obligations (in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenue bonds	\$ 38,485	\$ —	\$ 625,840	\$ 505,565	\$ 664,325	\$ 505,565
Leases	150,123	137,934	—	—	150,123	137,934
Contractual obligations	67,685	—	—	—	67,685	—
Total	\$ 256,293	\$ 137,934	\$ 625,840	\$ 505,565	\$ 882,133	\$ 643,499

In 2020, the County's revenue bonds, leases, and contractual obligations increased for the following purposes:

- Issued \$176.9 million par value bonds with a premium of \$14.5 million through the Water and Sewerage Authority to fund improvements and extensions to the water and sewerage system
- Entered into a contractual obligation with the Development Authority in the amount of \$67.7 million for the purchase and development of the Rowen knowledge community funded by the Authority's 2020 Georgia Research Park Bonds. The agreement calls for the County to make payments to the Development Authority that follow the debt service requirements of the bonds
- Issued \$38.5 million in tax allocation district bonds to fund The Exchange at Gwinnett redevelopment project
- Incurred Development Authority bond-related construction costs of \$16.3 million

These increases were offset by principal payments made in 2020 in the amount of \$56.7 million and lease payments of \$4.1 million. Overall, the County's long-term debt had a net increase of \$238.6 million during the current fiscal year.

The County maintains a AAA credit rating from each of the three rating agencies that review public sector debt. Additional information regarding Gwinnett County's long-term debt can be found in [Note 8](#) on pages 99 – 107 of this report.

Legal Debt Limit

State statutes limit the amount of general obligation debt a governmental entity may issue up to 10 percent of its total assessed taxable property valuation. The 2012 general obligation bonds were paid in full in January 2019, and the debt service fund was closed. The County has no general obligation debt outstanding and has used none of its legal debt limitation of \$3,513,538,000.



ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

As previously discussed in [“Assessing the County’s Economic Condition”](#) in the Introductory section of this document, improvements in the housing, construction, and labor markets continue to indicate economic progress. The countywide tax digest has grown more than 20 percent from 2017 to 2020, primarily due to rising home property values and new construction. From 2013 to 2020, the average value of all types of residences, including single family homes, condos, and townhouses, rose 83 percent from \$150,000 to \$275,000. The labor market, however, did experience some retraction in 2020 as a result of the global COVID-19 pandemic, but is showing gradual signs of improvement, as previously discussed.

The local economic environment, taken in combination with the County’s strategic priorities and the need to continue funding core services, are key considerations during the development of the annual budget. For many years, demographic changes and a growing population have also had a major impact on the budget through an increased demand for services. For this reason, staffing level increases have been included in the last nine budget years, including 2021. By recruiting and hiring quality employees, we are able to maintain the Gwinnett Standard of excellence that residents have come to expect in Gwinnett County. Other factors that influence the budget every year include maintaining County assets, ensuring adequate reserve levels, funding pension and other post-employment benefits, and meeting the challenge of rising medical costs.

In developing the fiscal year 2021 budget, two additional factors were taken into consideration – the uncertainty surrounding the COVID-19 pandemic and the recent transition in County leadership resulting from the 2020 election. Due to the uncertain economic situation presented by COVID-19, some areas of the budget were tightened to allow flexibility to respond to future impacts of the pandemic. In recognition of the changes in elected leaders across County government, reserves were budgeted for initiatives and improvements to allow the newly elected Board of Commissioners flexibility to decide which initiatives they deem most important.

Developed within the framework of the County’s five-year financial plan, the total fiscal year 2021 adopted budget, including operating and capital, is \$1,911,698,604, up 3.7 percent from the 2020 adopted budget of \$1,844,126,481. The 2021 budget was developed in consideration of current issues, including the COVID-19 pandemic, and anticipated future challenges. The budget includes funding to maintain core County services such as the jail, courts, police and fire protection, roads, transit, and water, as well as funding for new and ongoing initiatives reflective of the County’s strategic priorities set by the Board of Commissioners. The strategic priorities include Safe & Healthy Community, Mobility & Access, Livability & Comfort, Strong & Vibrant Local Economy, Smart & Sustainable Government, and Communication & Engagement.

The 2021 adopted operating budget totals \$1,470,703,799, up 1.9 percent from the 2020 adopted operating budget of \$1,442,692,435. The year-over-year increase is primarily due to increases in general operating expenses, including redevelopment costs associated with The Exchange at Gwinnett Tax Allocation District Fund (which will be paid from the proceeds of TAD bonds that were issued in 2020); increases in employer contributions to pension and group self-insurance, as well as increases in salaries and wages as the County adds personnel and continues employee retention measures like pay-for-performance increases and longevity pay; increases in debt service related to 2020 Water & Sewer Construction Bonds and redevelopment bonds; increases in contributions to the Development Authority to cover debt service expenses related to the new Rowen knowledge community and new bonds issued in 2020 for the civic center expansion; and increases in reserves and contingencies to allow the newly elected Board of Commissioners to decide which initiatives they deem most important and to provide additional flexibility to respond to future impacts of the COVID-19 pandemic.

New positions in alignment with the County’s strategic priorities were included in both the 2020 and 2021 operating budgets. However, significantly more positions were added in 2020 compared to 2021. The 2020 budget added 179 new full-time positions, and the 2021 budget added 62 new full-time positions. Many of the new positions added in both years were in support of the Safe & Healthy Community priority with funding for Police, Fire and Emergency Services, and court positions. In support of the Mobility & Access priority, both budgets funded new positions in the Department of Transportation. The budgets supported the Communication & Engagement priority by funding new positions dedicated to enhancing community engagement. The 2020 budget added a position in the County Administrator’s Office to support community engagement opportunities and to improve the efficiency of the community outreach program, and the 2021 budget added a resource and marketing coordinator position in the Police Department to improve how the department engages with the community.

The 2021 adopted capital budget totals \$440,994,805, up 9.9 percent from the 2020 adopted capital budget of \$401,434,046. The year-over-year increase is primarily due to increases for Water Resources and Transportation. Water Resources' capital budget is up primarily due to sewer and pump station enhancements and expansions. Certain improvements and extensions to the water and sewerage system included in the capital budget will be funded by bonds that were issued in 2020. Transportation's capital budget is up primarily due to increases in major road improvements and bridge and roadway drainage improvements.

Capital project budgets are adopted as multi-year project budgets. As a result, many of the same capital projects funded in 2020 will continue to be funded in 2021. A major capital project included in both the 2020 and 2021 budgets in support of the Safe & Healthy Community priority is the Situational Awareness and Crime Response Center. Both capital budgets also included funding for fire facilities and fire apparatus replacements. New capital projects funded in the 2021 capital budget in support of the Safe & Healthy Community priority include the expansion of the Police Training Center and Fire Academy improvements. The Mobility & Access priority is supported by both the 2020 and 2021 capital budgets through various SPLOST-funded transportation improvements, as well as roadway maintenance and enhancements. Both budgets also supported this priority with funding for the expansion of the Ivy Creek Greenway to connect the Suwanee Creek Trail to the Mall of Georgia, the interchange project at Harbins Road and State Route 316, and the expansion of the County's Advanced Transportation Management System. In support of the Livability & Comfort priority, both capital budgets include investments in projects benefiting the community. Both the 2020 and 2021 capital budgets also included funding for capital projects supporting the Strong & Vibrant Local Economy priority, such as The Water Tower: Global Innovation Hub @ Gwinnett. New capital projects included in the 2021 budget in support of the Strong & Vibrant Local Economy priority include the Rowen knowledge community and The Exchange at Gwinnett mixed-use development.

Public involvement in the budget process continues to play a significant role in the development of the budget. Former Chairman Charlotte Nash, County staff, and five citizen reviewers studied departments' and agencies' business plans, budget requests, and revenue projections to make recommendations for the 2021 budget. The budget was adopted unanimously by the Board of Commissioners on January 5, 2021. Departmental business plans and budget presentations made to the budget review team may be viewed at TVGwinnett.com under [Video on Demand](#).

The five citizen reviewers who served on the Chairwoman's Budget Review Team for 2021 included: Thuy Hotle, retired planner, Gwinnett County Planning and Development; Asif Jessani, principal marketing and technology consultant, CCS: Marketing and Technology; Norwood Davis, CFO, 12Stone Church; Keith Roche, Lawrenceville city councilman and retired business executive; and Maurice Thompson II, a partner with Consultuoso. We would like to thank these individuals for their time spent considering the many budget proposals.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Financial Services, Gwinnett County, 75 Langley Drive, Lawrenceville, GA 30046.



BASIC FINANCIAL STATEMENTS

Governmentwide Financial Statements
Fund Financial Statements

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STATEMENT OF NET POSITION

December 31, 2020

(in thousands of dollars)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS:				
Cash and cash equivalents	\$ 888,075	227,217	1,115,292	126,660
Investments	56,355	13,889	70,244	—
Receivables, net of allowance	50,760	40,184	90,944	295
Internal balances	6,951	(6,951)	—	—
Due from other governments	71,697	20,541	92,238	1,338
Due from primary government	—	—	—	2,331
Inventories	2,408	2,806	5,214	—
Prepaid items	8,190	1,674	9,864	—
Restricted assets:				
Cash and cash equivalents	—	224,667	224,667	—
Lease receivable	315	—	315	—
Lease receivable from primary government	—	—	—	150,123
Economic development contract receivable from primary government	—	—	—	67,685
Due from Rowen Foundation	—	—	—	60,680
Noncurrent investments	435,873	152,333	588,206	—
Assets held for redevelopment	—	34,936	34,936	—
Due from component unit	70,238	—	70,238	—
Capital assets:				
Land and construction in progress	949,898	361,452	1,311,350	—
Other capital assets, net of depreciation	1,808,295	3,762,956	5,571,251	891
Total assets	4,349,055	4,835,704	9,184,759	410,003
DEFERRED OUTFLOWS OF RESOURCES:				
Pension-related deferred outflows	4,599	650	5,249	7,940
OPEB-related deferred outflows	7,939	1,127	9,066	3,748
Deferred charge on refunding of bonds	—	7,164	7,164	853
Goodwill	—	413	413	—
Total deferred outflows of resources	\$ 12,538	9,354	21,892	12,541

continued...

STATEMENT OF NET POSITION – *Continued*

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES:				
Current liabilities:				
Accounts payable	\$ 73,831	40,599	114,430	6,196
Other accrued payables	6,946	938	7,884	326
Retainage payable	10,772	7,993	18,765	—
Accrued interest payable	2,331	6,573	8,904	—
Due to others	2,947	219	3,166	—
Due to other governments	87	—	87	28
Customer deposits	—	4,241	4,241	—
Unearned revenue	1,888	42,406	44,294	—
Long-term liabilities:				
Due within one year	38,365	68,090	106,455	10,424
Due in more than one year	484,242	663,128	1,147,370	352,661
Due to primary government – economic development contract	—	—	—	70,238
Total liabilities	621,409	834,187	1,455,596	439,873
DEFERRED INFLOWS OF RESOURCES:				
Pension-related deferred inflows	97,012	13,716	110,728	1,213
OPEB-related deferred inflows	26,020	3,694	29,714	10,003
Deferred gain on refunding	—	2,859	2,859	1,429
Total deferred inflows of resources	123,032	20,269	143,301	12,645
NET POSITION:				
Net investment in capital assets	2,560,271	3,648,790	6,209,061	806
Restricted for:				
Capital projects	622,576	—	622,576	—
Debt service	2	27,900	27,902	—
Special programs	225,183	—	225,183	—
Grant programs	—	—	—	2
Health programs	—	—	—	6,873
Unrestricted	209,120	313,912	523,032	(37,655)
Total net position	\$ 3,617,152	3,990,602	7,607,754	(29,974)

The notes to the basic financial statements are an integral part of this statement.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

(in thousands of dollars)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 62,521	12,009	935	11	(49,566)	—	(49,566)	—
Public safety	298,990	40,719	1,560	1,385	(255,326)	—	(255,326)	—
Judiciary	178,878	23,457	4,495	2,823	(148,103)	—	(148,103)	—
Public works	132,300	8,543	70	23,867	(99,820)	—	(99,820)	—
Health and welfare	144,700	90	165,815	166	21,371	—	21,371	—
Culture and recreation	99,104	1,901	243	3,223	(93,737)	—	(93,737)	—
Housing and development	36,611	11,052	59	5,945	(19,555)	—	(19,555)	—
Tourism	4,057	1,524	—	—	(2,533)	—	(2,533)	—
Development authority	7,328	—	—	—	(7,328)	—	(7,328)	—
Interest on long-term debt	2,457	—	—	—	(2,457)	—	(2,457)	—
Total governmental activities	966,946	99,295	173,177	37,420	(657,054)	—	(657,054)	—
Business-type activities:								
Water and sewer	258,744	336,881	—	67,994	—	146,131	146,131	—
Airport	1,713	957	—	12,763	—	12,007	12,007	—
Economic development	3,175	2,096	—	—	—	(1,079)	(1,079)	—
Solid waste	42,415	42,745	—	—	—	330	330	—
Stormwater	28,536	29,778	—	11,497	—	12,739	12,739	—
Transit	24,006	1,140	13,588	2,171	—	(7,107)	(7,107)	—
Total business-type activities	358,589	413,597	13,588	94,425	—	163,021	163,021	—
Total primary government	\$ 1,325,535	512,892	186,765	131,845	(657,054)	163,021	(494,033)	—
Component units:	\$ 126,342	6,660	24,255	—	—	—	—	(95,427)
General revenues:								
Property taxes					557,777	—	557,777	—
Sales taxes					183,774	—	183,774	—
Hotel motel taxes					6,865	—	6,865	—
Insurance premium tax					52,703	—	52,703	—
Business taxes					21,430	—	21,430	—
Other taxes					9,032	—	9,032	—
Lease interest income – development authority					—	—	—	6,484
Intergovernmental revenue from primary government, not restricted for specific programs					—	—	—	20,464
Intergovernmental revenue from State of Georgia, not restricted for specific programs					—	—	—	1,295
Intergovernmental revenue from the federal government, not restricted for specific programs					—	—	—	61
Investment income					10,478	5,662	16,140	209
Loan interest income					—	—	—	356
Economic development contract income					—	—	—	68,015
Miscellaneous					18,140	—	18,140	273
Total general revenues					860,199	5,662	865,861	97,157
Transfers					(11,762)	11,762	—	—
Total general revenues and transfers					848,437	17,424	865,861	97,157
Change in net position					191,383	180,445	371,828	1,730
Net position – beginning					3,425,769	3,810,157	7,235,926	(31,704)
Net position – ending					\$ 3,617,152	3,990,602	7,607,754	(29,974)

The notes to the basic financial statements are an integral part of this statement.

GOVERNMENTAL FUNDS BALANCE SHEET

December 31, 2020

(in thousands of dollars)

	General	Fire and EMS District	Police Services District	CARES Act Grant	Other Capital Projects	2009 Sales Tax	2014 Sales Tax	2017 Sales Tax	Other Governmental Funds	Total
ASSETS:										
Cash and cash equivalents	\$ 131,919	49,940	68,246	51,764	231,371	15,972	52,304	101,676	135,960	839,152
Investments	33,158	14,881	20,377	—	117,669	10,051	35,310	198,807	32,496	462,749
Receivables, net of allowance:										
Taxes	14,510	6,590	4,309	—	—	—	—	—	4,667	30,076
Accounts	881	5,352	57	—	833	622	4,934	608	6,358	19,645
Due from other funds	8,587	—	—	—	—	—	—	—	—	8,587
Due from other governments	—	—	47,226	—	—	—	—	21,269	3,202	71,697
Inventories	1,724	—	—	—	—	—	—	—	300	2,024
Prepaid items	630	5	206	—	63	213	—	—	29	1,146
Total assets	\$ 191,409	76,768	140,421	51,764	349,936	26,858	92,548	322,360	183,012	1,435,076
LIABILITIES:										
Accounts payable	\$ 7,865	1,071	2,359	23,764	4,588	3,614	5,737	15,683	4,954	69,635
Due to other governments	—	—	—	—	—	—	—	—	87	87
Payroll payable	2,733	1,509	1,376	—	—	—	—	—	570	6,188
Retainage payable	2	—	—	—	736	4,089	1,353	4,532	60	10,772
Due to others	1,469	—	178	—	—	768	170	160	202	2,947
Total liabilities	12,069	2,580	3,913	23,764	5,324	8,471	7,260	20,375	5,873	89,629
DEFERRED INFLOWS OF RESOURCES:										
Unavailable revenue	6,051	6,485	48,916	—	—	—	—	—	4,242	65,694
Total deferred inflows of resources	6,051	6,485	48,916	—	—	—	—	—	4,242	65,694
FUND BALANCES:										
Nonspendable	2,354	5	206	—	63	213	—	—	329	3,170
Restricted	—	67,698	87,386	28,000	216,916	18,174	85,288	301,985	172,184	977,631
Committed	—	—	—	—	—	—	—	—	384	384
Assigned	18,864	—	—	—	127,633	—	—	—	—	146,497
Unassigned	152,071	—	—	—	—	—	—	—	—	152,071
Total fund balance	173,289	67,703	87,592	28,000	344,612	18,387	85,288	301,985	172,897	1,279,753
Total liabilities, deferred inflows of resources and fund balances	\$ 191,409	76,768	140,421	51,764	349,936	26,858	92,548	322,360	183,012	1,435,076

The notes to the basic financial statements are an integral part of this statement.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

December 31, 2020

(in thousands of dollars)

Fund balances – total governmental funds		\$ 1,279,753
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term accounts receivable are not current financial resources and therefore are not reported in the governmental funds.		
Lease receivable	\$ 315	
Long-term accounts receivable – economic development contract	70,238	
	<hr/>	70,553
Capital assets are not reported in fund statements.		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds.		
	2,754,790	
Capital assets used in internal service funds are reported in the governmental activities column of the governmentwide statement of net position.		
	3,403	
	<hr/>	2,758,193
Deferred outflows/(inflows) for governmental activities are not current financial resources and therefore are not reported in the governmental funds.		
Pension-related deferred outflows	4,599	
OPEB-related deferred outflows	7,939	
Pension-related deferred inflows	(97,012)	
OPEB-related deferred inflows	(26,020)	
	<hr/>	(110,494)
Certain unearned revenue is recorded only in the governmentwide statements		
		(1,873)
Interest payable on capital lease to component unit is not accrued in the fund statements.		
		(2,331)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Tax allocation district bonds payable	(38,485)	
Discount	568	
Economic development contract payable to component unit	(67,685)	
Lease payable to component unit	(150,123)	
Accrued leave	(32,641)	
Estimated claims payable	(13,017)	
Net pension liability is not recorded on the fund financial statements.	(186,895)	
Net OPEB liability is not recorded on the fund financial statements.	(34,330)	
	<hr/>	(522,608)

continued...

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION – *Continued*

Revenue deferred in the governmental funds due to availability criteria is susceptible to full accrual on the governmentwide statements.

Property tax	13,117	
Insurance premium tax	47,226	
Public safety – EMS	3,590	
Special assessments	231	
Miscellaneous	1,530	
	65,694	65,694

Internal service funds are used to charge the cost of group insurance, risk management, fleet management, and administrative support services to individual funds. Assets and liabilities of these funds are included in governmental activities in the statement of net position.

Internal service funds net position	39,851	
Less items accounted for above:		
Capital assets	(3,403)	
Pension-related deferred outflows	(357)	
OPEB-related deferred outflows	(957)	
Net pension liability	14,510	
Net OPEB liability	4,139	
Plus accrued leave already accounted for above	4,433	
Plus claims payable already accounted for above	13,017	
Pension-related deferred inflows	7,531	
OPEB-related deferred inflows	3,137	
Plus amount due from enterprise funds	(1,636)	
	80,265	80,265
Net position of governmental activities		\$ 3,617,152

The notes to the basic financial statements are an integral part of this statement.

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended December 31, 2020

(in thousands of dollars)

	General	Fire and EMS District	Police Services District	CARES Act Grant	Other Capital Projects	2009 Sales Tax	2014 Sales Tax	2017 Sales Tax	Other Governmental Funds	Total
REVENUES:										
Taxes	\$ 326,411	113,082	127,058	—	—	—	—	183,774	67,940	818,265
Permits and licenses	4,539	745	—	—	—	—	—	—	5,183	10,467
Intergovernmental	4,225	887	333	163,876	—	3,188	13,248	3,408	13,655	202,820
Charges for services	28,332	14,880	1,048	—	—	—	—	—	34,593	78,853
Fines and forfeitures	2,581	—	5,481	—	—	—	—	—	1,422	9,484
Investment income	1,131	584	852	203	5,124	656	1,277	5,897	1,094	16,818
Miscellaneous	7,419	170	678	—	8,064	45	289	137	1,442	18,244
Total revenues	<u>374,638</u>	<u>130,348</u>	<u>135,450</u>	<u>164,079</u>	<u>13,188</u>	<u>3,889</u>	<u>14,814</u>	<u>193,216</u>	<u>125,329</u>	<u>1,154,951</u>
EXPENDITURES:										
Current operating:										
General government	43,642	—	—	—	—	—	—	—	—	43,642
Public safety	23,064	120,286	113,315	—	—	—	—	—	17,335	274,000
Judiciary	169,308	—	4,246	—	—	—	—	—	1,453	175,007
Public works	22,062	—	—	—	—	—	—	—	8,496	30,558
Health and welfare	13,055	—	—	—	—	—	—	—	—	13,055
Culture and recreation	26,417	—	—	—	—	—	—	—	36,607	63,024
Housing and development	4,190	967	—	—	—	—	—	—	18,339	23,496
Tourism	—	—	—	—	—	—	—	—	4,057	4,057
Development authority	—	—	—	—	—	—	—	—	12,025	12,025
Grant programs	—	—	—	—	—	—	—	—	12,455	12,455
CARES Act grant programs	—	—	—	129,226	—	—	—	—	—	129,226
Capital outlay	310	332	193	6,345	62,699	63,098	40,488	111,286	850	285,601
Debt service	—	—	—	—	—	—	—	—	2,439	2,439
Intergovernmental	—	—	—	—	—	—	—	39,034	4,326	43,360
Total expenditures	<u>302,048</u>	<u>121,585</u>	<u>117,754</u>	<u>135,571</u>	<u>62,699</u>	<u>63,098</u>	<u>40,488</u>	<u>150,320</u>	<u>118,382</u>	<u>1,111,945</u>
Revenues in excess of (less than) expenditures	72,590	8,763	17,696	28,508	(49,511)	(59,209)	(25,674)	42,896	6,947	43,006
OTHER FINANCING SOURCES (USES):										
Transfers in	579	519	2	—	97,573	—	—	—	34,588	133,261
Transfers out	(76,201)	(10,055)	(14,277)	(508)	(33,000)	—	—	—	(9,698)	(143,739)
Capital lease obligations	—	—	—	—	16,299	—	—	—	—	16,299
Tax allocation district bonds issued	—	—	—	—	—	—	—	—	38,485	38,485
Discount on tax allocation district bonds	—	—	—	—	—	—	—	—	(587)	(587)
Other financing sources (uses), net	<u>(75,622)</u>	<u>(9,536)</u>	<u>(14,275)</u>	<u>(508)</u>	<u>80,872</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>62,788</u>	<u>43,719</u>
Net change in fund balances	(3,032)	(773)	3,421	28,000	31,361	(59,209)	(25,674)	42,896	69,735	86,725
Fund balances – January 1	176,321	68,476	84,171	—	313,251	77,596	110,962	259,089	103,162	1,193,028
Fund balances – December 31	<u>\$ 173,289</u>	<u>67,703</u>	<u>87,592</u>	<u>28,000</u>	<u>344,612</u>	<u>18,387</u>	<u>85,288</u>	<u>301,985</u>	<u>172,897</u>	<u>1,279,753</u>

The notes to the basic financial statements are an integral part of this statement.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

(in thousands of dollars)

Net change in fund balances – total governmental funds	\$	86,725
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays reported in the governmental funds exceed depreciation expense recorded in the statement of activities as follows:		
Capital expenditures – general	\$	285,601
Capital expenditures reclassified as expense		(74,174)
Depreciation expense – general capital assets		<u>(94,151)</u>
		117,276
Contributions of capital assets are not recorded in governmental funds.		9,603
The loss on disposition of capital assets is not reported in the fund statements.		(7,663)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the Statement of Net Position. Retirement of bonded debt is reported as an expenditure in the fund statements but represents a reduction of liability balances on the governmentwide statement of net position.		
Issuance of tax allocation district bonds	\$	(38,485)
Discount on tax allocation district bonds		587
Amortization of discount on tax allocation district bonds		<u>(18)</u>
		(37,916)
The current years change in the net pension liability and the related deferred inflows and outflows of resources decreases net expenses of pensionable functions on the governmentwide statements.		12,214
The current years change in the net OPEB liability and the related deferred inflows and outflows of resources decreases net expenses of pensionable functions on the governmentwide statements.		3,283
Accrued interest payable to component unit is not included on the fund financial statements.		29
Lease payments to the Development Authority are reported as expenditures in the fund statement and as a reduction of the lease payable in the governmentwide statements.		4,110
Internal Service funds are used to charge the cost of insurance, fleet, and administrative services activities to individual funds. A part of the net revenue of the internal service funds is reported with governmental activities.		8,694
Accrued expenses related to compensated absences are not reported in the fund statements.		(3,738)
Proceeds on lease payable to the Development Authority are reported as revenue in the fund statements and as an increase in lease payable in the governmentwide statements.		(16,299)
Capital lease revenue from View Point Health is reported as revenue for governmental activities and as a reduction of capital lease receivable in the governmentwide statements.		(145)
Some revenue earned is deferred in the governmental funds due to availability criteria.		14,530
Revenues from the intergovernmental economic development contract are not reported in the fund statements		680
Change in net position of governmental activities	\$	<u>191,383</u>

The notes to the basic financial statements are an integral part of this statement.

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – Budget and Actual (Budget Basis)

Year Ended December 31, 2020

(in thousands of dollars)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (non-GAAP budget basis)</u>	<u>Variance-positive (negative)</u>
REVENUES:				
Taxes	\$ 288,883	317,303	326,411	9,108
Permits and licenses	400	4,690	4,539	(151)
Intergovernmental	3,807	3,828	4,225	397
Charges for services	26,605	27,610	28,332	722
Fines and forfeitures	3,634	3,634	2,581	(1,053)
Investment income	1,535	1,108	1,108	–
Miscellaneous	1,864	6,642	7,419	777
Total revenues	<u>326,728</u>	<u>364,815</u>	<u>374,615</u>	<u>9,800</u>
EXPENDITURES:				
Current operating:				
General government:				
Board of Commissioners	1,529	1,493	1,321	172
County administration	1,559	1,796	1,157	639
Financial services	9,971	9,612	8,861	751
Tax commissioner	15,157	15,173	14,682	491
Support services	166	166	144	22
Total general government	<u>28,382</u>	<u>28,240</u>	<u>26,165</u>	<u>2,075</u>
Public safety:				
Police services	2,671	2,749	2,369	380
Correctional services	19,021	18,917	17,068	1,849
Total public safety	<u>21,692</u>	<u>21,666</u>	<u>19,437</u>	<u>2,229</u>
Judiciary:				
Courts	51,399	57,018	51,893	5,125
District attorney	18,276	18,456	17,042	1,414
Sheriff	104,670	107,477	94,997	12,480
Solicitor	6,273	6,199	5,479	720
Total judiciary	<u>180,618</u>	<u>189,150</u>	<u>169,411</u>	<u>19,739</u>
Public works	<u>23,116</u>	<u>23,302</u>	<u>22,062</u>	<u>1,240</u>

continued...

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – Budget and Actual (Budget Basis) – *Continued*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (non-GAAP budget basis)</u>	<u>Variance—positive (negative)</u>
Health and welfare:				
Physical health	1,575	1,575	1,575	—
Indigent medical care	225	225	—	225
Various subsidized agencies	2,903	2,903	2,716	187
General community services	25,202	32,067	27,956	4,111
Total health and welfare	<u>29,905</u>	<u>36,770</u>	<u>32,247</u>	<u>4,523</u>
Culture and recreation:				
Library	20,538	20,538	20,269	269
Total culture and recreation	<u>20,538</u>	<u>20,538</u>	<u>20,269</u>	<u>269</u>
Housing and development:				
Planning and development	760	2,109	1,946	163
Total housing and development	<u>760</u>	<u>2,109</u>	<u>1,946</u>	<u>163</u>
Miscellaneous	22,398	17,821	10,511	7,310
Total expenditures	<u>327,409</u>	<u>339,596</u>	<u>302,048</u>	<u>37,548</u>
Revenues in excess of (less than) expenditures	<u>(681)</u>	<u>25,219</u>	<u>72,567</u>	<u>47,348</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	165	165	579	414
Transfers out	(41,452)	(76,210)	(76,201)	9
Other financing (uses), net	<u>(41,287)</u>	<u>(76,045)</u>	<u>(75,622)</u>	<u>423</u>
Revenues and other financing sources more (less) than expenditures and other financing uses	<u>(41,968)</u>	<u>(50,826)</u>	<u>(3,055)</u>	<u>47,771</u>
Fund balance allocation	<u>41,968</u>	<u>50,826</u>	<u>—</u>	<u>(50,826)</u>
Fund balance – January 1	<u>—</u>	<u>—</u>	<u>176,328</u>	<u>176,328</u>
Fund balance – December 31	<u>\$ —</u>	<u>—</u>	<u>173,273</u>	<u>173,273</u>

The notes to the basic financial statements are an integral part of this statement.

FIRE AND EMS DISTRICT FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – Budget and Actual (Budget Basis)

Year Ended December 31, 2020

(in thousands of dollars)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (non-GAAP budget basis)</u>	<u>Variance-positive (negative)</u>
REVENUES:				
Taxes	\$ 103,869	103,869	113,082	9,213
Permits and licenses	915	915	745	(170)
Intergovernmental	680	748	887	139
Charges for services	15,618	15,618	14,880	(738)
Investment income	590	465	457	(8)
Miscellaneous	3	5	170	165
Total revenues	<u>121,675</u>	<u>121,620</u>	<u>130,221</u>	<u>8,601</u>
EXPENDITURES:				
Current operating:				
Public safety:				
Fire and emergency services	<u>132,665</u>	<u>133,875</u>	<u>120,618</u>	<u>13,257</u>
Total public safety	<u>132,665</u>	<u>133,875</u>	<u>120,618</u>	<u>13,257</u>
Housing and development:				
Planning and development	<u>1,007</u>	<u>1,204</u>	<u>967</u>	<u>237</u>
Total housing and development	<u>1,007</u>	<u>1,204</u>	<u>967</u>	<u>237</u>
Miscellaneous	<u>3,119</u>	<u>3,119</u>	<u>—</u>	<u>3,119</u>
Total expenditures	<u>136,791</u>	<u>138,198</u>	<u>121,585</u>	<u>16,613</u>
Revenues in excess of (less than) expenditures	<u>(15,116)</u>	<u>(16,578)</u>	<u>8,636</u>	<u>25,214</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	—	2	519	517
Transfers out	<u>(10,075)</u>	<u>(10,075)</u>	<u>(10,055)</u>	<u>20</u>
Other financing (uses), net	<u>(10,075)</u>	<u>(10,073)</u>	<u>(9,536)</u>	<u>537</u>
Revenues and other financing sources more (less) than expenditures and other financing uses	<u>(25,191)</u>	<u>(26,651)</u>	<u>(900)</u>	<u>25,751</u>
Fund balance allocation	<u>25,191</u>	<u>26,651</u>	<u>—</u>	<u>(26,651)</u>
Fund balance – January 1	<u>—</u>	<u>—</u>	<u>68,441</u>	<u>68,441</u>
Fund balance – December 31	<u>\$ —</u>	<u>—</u>	<u>67,541</u>	<u>67,541</u>

The notes to the basic financial statements are an integral part of this statement.

POLICE SERVICES DISTRICT FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – Budget and Actual (Budget Basis)

Year Ended December 31, 2020

(in thousands of dollars)

	Original Budget	Final Budget	Actual (non-GAAP budget basis)	Variance-positive (negative)
REVENUES:				
Taxes	\$ 104,822	124,834	127,058	2,224
Permits and licenses	4,290	—	—	—
Intergovernmental	288	288	333	45
Charges for services	1,024	1,020	1,048	28
Fines and forfeitures	7,688	7,689	5,481	(2,208)
Investment income	1,000	624	628	4
Miscellaneous	305	308	678	370
Total revenues	119,417	134,763	135,226	463
EXPENDITURES:				
Current operating:				
Public safety:				
Police services	123,854	125,073	113,308	11,765
Total public safety	123,854	125,073	113,308	11,765
Judiciary:				
Courts	1,872	1,793	1,516	277
Solicitor	750	764	596	168
Recorder's court	2,140	2,231	2,134	97
Total judiciary	4,762	4,788	4,246	542
Housing and development:				
Planning and development	1,546	—	—	—
Total housing and development	1,546	—	—	—
Miscellaneous	5,478	5,131	200	4,931
Total expenditures	135,640	134,992	117,754	17,238
Revenues in excess of (less than) expenditures	(16,223)	(229)	17,472	17,701
OTHER FINANCING SOURCES (USES):				
Transfers in	—	—	2	2
Transfers out	(8,580)	(14,277)	(14,277)	—
Other financing (uses), net	(8,580)	(14,277)	(14,275)	2
Revenues and other financing sources more (less) than expenditures and other financing uses	(24,803)	(14,506)	3,197	17,703
Fund balance allocation	24,803	14,506	—	(14,506)
Fund balance – January 1	—	—	84,149	84,149
Fund balance – December 31	\$ —	—	87,346	87,346

The notes to the basic financial statements are an integral part of this statement.

CARES ACT GRANT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – Budget and Actual (Budget Basis)

Year Ended December 31, 2020

(in thousands of dollars)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (non-GAAP budget basis)</u>	<u>Variance—positive (negative)</u>
REVENUES:				
Intergovernmental	\$ —	163,876	163,876	—
Investment income	—	—	203	203
Total revenues	<u>—</u>	<u>163,876</u>	<u>164,079</u>	<u>203</u>
EXPENDITURES:				
Program expenditures	—	135,571	135,570	1
Total expenditures	<u>—</u>	<u>135,571</u>	<u>135,570</u>	<u>1</u>
Revenues in excess of expenditures	—	28,305	28,509	204
OTHER FINANCING (USES):				
Transfers out	—	(508)	(508)	—
Other financing (uses)	<u>—</u>	<u>(508)</u>	<u>(508)</u>	<u>—</u>
Revenues and other financing sources more (less) than expenditures and other financing uses	—	27,797	28,001	204
Fund balance allocation	—	(27,797)	—	27,797
Fund balance – January 1	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund balance – December 31	<u>\$ —</u>	<u>—</u>	<u>28,001</u>	<u>28,001</u>

The notes to the basic financial statements are an integral part of this statement.

DID YOU KNOW

In 2020, Chief Magistrate Kristina Hammer Blum collaborated with Commissioner Marlene Fosque and the Grants Division on Project RESET, a program that provides CARES Act funding directly to landlords to make overdue rent payments on behalf of tenants financially impacted by the pandemic.

PROPRIETARY FUNDS STATEMENT OF NET POSITION

December 31, 2020

(in thousands of dollars)

	Enterprise Funds				
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS:					
Current assets:					
Cash and cash equivalents	\$ 136,405	24,934	65,868	227,207	48,923
Investments	12,803	324	762	13,889	1,150
Accounts receivable, net of allowance	35,431	2,289	2,464	40,184	1,039
Due from other governments	—	148	20,393	20,541	—
Inventories	2,806	—	—	2,806	384
Prepaid items	1,576	7	91	1,674	7,044
Restricted cash and cash equivalents	224,677	—	—	224,677	—
Total current assets	413,698	27,702	89,578	530,978	58,540
Noncurrent assets:					
Investments	119,756	10,456	22,121	152,333	28,329
Assets held for redevelopment	—	—	34,936	34,936	—
Land and construction in progress	333,649	7,968	19,835	361,452	220
Other capital assets, net of depreciation	3,180,376	539,202	43,378	3,762,956	3,183
Total noncurrent assets	3,633,781	557,626	120,270	4,311,677	31,732
Total assets	4,047,479	585,328	209,848	4,842,655	90,272
DEFERRED OUTFLOWS OF RESOURCES:					
Pension-related deferred outflows	592	51	7	650	357
OPEB-related deferred outflows	989	102	36	1,127	957
Deferred charge on refunding of bonds	7,164	—	—	7,164	—
Goodwill	413	—	—	413	—
Total deferred outflows of resources	9,158	153	43	9,354	1,314
LIABILITIES:					
Current liabilities:					
Accounts payable	27,793	4,984	7,822	40,599	4,196
Payroll payable	842	66	30	938	758
Retainage payable	6,258	1	1,734	7,993	—
Accumulated leave benefits – current	2,596	226	104	2,926	2,527
Estimated claims payable – current	—	—	—	—	6,926

continued...

PROPRIETARY FUNDS STATEMENT OF NET POSITION – *Continued*

	Enterprise Funds				Internal Service Funds
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	
Current liabilities (<i>continued</i>):					
Customer deposits payable	4,241	—	—	4,241	—
Accrued interest payable – from restricted assets	6,167	—	406	6,573	—
Due to other fund	—	—	8,587	8,587	—
Due to others	—	218	1	219	—
Notes payable – current	2,785	269	—	3,054	—
Revenue bonds payable – current – from restricted assets	60,780	—	1,330	62,110	—
Unearned revenue	29	—	42,377	42,406	14
Total current liabilities	111,491	5,764	62,391	179,646	14,421
Noncurrent liabilities:					
Accumulated leave benefits	1,717	159	75	1,951	1,906
Estimated claims payable	—	—	—	—	6,091
Notes payable	25,358	2,940	—	28,298	—
Revenue bonds payable	570,398	—	31,185	601,583	—
Net pension liability	24,062	2,076	284	26,422	14,510
Net OPEB liability	4,276	443	155	4,874	4,139
Total noncurrent liabilities	625,811	5,618	31,699	663,128	26,646
Total liabilities	737,302	11,382	94,090	842,774	41,067
DEFERRED INFLOWS OF RESOURCES:					
Pension-related deferred inflows	12,491	1,077	148	13,716	7,531
OPEB-related deferred inflows	3,241	336	117	3,694	3,137
Deferred gain on refunding	2,859	—	—	2,859	—
Total deferred inflows of resources	18,591	1,413	265	20,269	10,668
NET POSITION:					
Net investment in capital assets	3,043,351	543,960	61,479	3,648,790	3,403
Restricted for debt service	27,900	—	—	27,900	—
Unrestricted	229,493	28,726	54,057	312,276	36,448
Total net position	\$ 3,300,744	572,686	115,536	3,988,966	39,851
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				1,636	
Net position of business-type activities				\$ 3,990,602	

The notes to the basic financial statements are an integral part of this statement.

PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

Year Ended December 31, 2020

(in thousands of dollars)

	Enterprise Funds				Internal Service Funds
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	
OPERATING REVENUES:					
Residential and commercial service	\$ 323,452	—	—	323,452	—
Wholesale service	5,377	—	—	5,377	—
Public fire protection charges	726	—	—	726	—
Connection charges	1,775	—	—	1,775	—
Operating lease income and rental income	—	—	3,050	3,050	—
Charges to other funds	—	—	—	—	164,756
Employee contributions	—	—	—	—	8,240
User fees and charges	—	29,724	43,879	73,603	—
Miscellaneous	5,551	54	7	5,612	1,525
Total operating revenues	<u>336,881</u>	<u>29,778</u>	<u>46,936</u>	<u>413,595</u>	<u>174,521</u>
OPERATING EXPENSES:					
Water production	15,765	—	—	15,765	—
Distribution and collection	45,905	—	—	45,905	—
Engineering	8,237	—	—	8,237	—
Reclamation	47,236	—	—	47,236	—
Vehicle maintenance and repair	—	—	—	—	3,795
Benefit claims	—	—	—	—	39,091
Insurance premiums	—	—	—	—	33,907
Depreciation and amortization	90,869	10,558	3,911	105,338	745
Transit operations	—	—	20,661	20,661	—
General and administrative	37,443	17,280	45,620	100,343	86,777
Total operating expenses	<u>245,455</u>	<u>27,838</u>	<u>70,192</u>	<u>343,485</u>	<u>164,315</u>
Operating income (loss)	<u>91,426</u>	<u>1,940</u>	<u>(23,256)</u>	<u>70,110</u>	<u>10,206</u>
NON-OPERATING REVENUES (EXPENSES):					
Intergovernmental	—	—	13,588	13,588	—
Investment earnings	3,878	600	1,184	5,662	1,492
Interest expense	(13,226)	(101)	(1,245)	(14,572)	—
Gain (loss) on disposal of capital assets	(1,526)	(756)	1	(2,281)	32
Total non-operating revenues (expenses)	<u>(10,874)</u>	<u>(257)</u>	<u>13,528</u>	<u>2,397</u>	<u>1,524</u>
Income (loss) before transfers and contributions	<u>80,552</u>	<u>1,683</u>	<u>(9,728)</u>	<u>72,507</u>	<u>11,730</u>
Capital contributions	67,994	11,497	14,934	94,425	—
Transfers in	22	131	11,905	12,058	—
Transfers out	(165)	—	(131)	(296)	(1,284)
Change in net position	<u>148,403</u>	<u>13,311</u>	<u>16,980</u>	<u>178,694</u>	<u>10,446</u>
Net position – January 1	<u>3,152,341</u>	<u>559,375</u>	<u>98,556</u>		<u>29,405</u>
Net position – December 31	<u>\$ 3,300,744</u>	<u>572,686</u>	<u>115,536</u>		<u>39,851</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				1,751	
Change in net position of business-type activities				<u>\$ 180,445</u>	

The notes to the basic financial statements are an integral part of this statement.

DID YOU KNOW

In 2020, the Tax Commissioner's Office launched WaitWhile, an app that reduces COVID exposure by allowing patrons to wait in their cars until just before time to see a tag office clerk; the app also provides estimated wait times for patrons.

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

Year Ended December 31, 2020

(in thousands of dollars)

	Enterprise Funds				Internal Service Funds
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 333,796	28,715	46,703	409,214	175,290
Cash payments to suppliers for goods and services	(86,870)	(9,405)	(62,302)	(158,577)	(41,752)
Cash payments to employees for services	(59,140)	(5,224)	(1,677)	(66,041)	(51,348)
Cash payments for interfund services	(12,763)	(1,450)	(1,285)	(15,498)	(4,298)
Claims and premiums paid	—	—	—	—	(74,044)
Net cash flows provided/(required) by operating activities	175,023	12,636	(18,561)	169,098	3,848
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Operating grants	—	656	7,183	7,839	—
Transfers from other funds	22	—	11,905	11,927	—
Transfers (to) other funds	(165)	—	—	(165)	(1,284)
Net cash provided/(required) by noncapital activities	(143)	656	19,088	19,601	(1,284)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants received	—	—	4,798	4,798	—
Acquisition and construction of capital assets	(145,257)	(22,398)	(15,615)	(183,270)	(1,666)
Increase in due to other funds	—	—	8,587	8,587	—
Proceeds from sale of capital assets	193	26	2	221	32
Proceeds from bond issuance	191,400	—	—	191,400	—
Principal payments – revenue bonds	(55,330)	—	(1,290)	(56,620)	—
Payment of bond issuance costs	(800)	—	—	(800)	—
Principal payments – notes payable	(2,703)	(261)	—	(2,964)	—
Interest paid	(15,858)	(101)	(1,258)	(17,217)	—
Capital contributed by others	27,285	—	—	27,285	—
Net cash (required) by capital and related financing activities	(1,070)	(22,734)	(4,776)	(28,580)	(1,634)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from the sale of investments	129,682	9,913	29,438	169,033	29,066
Purchase of investments	(122,047)	(4,140)	(10,460)	(136,647)	(13,260)
Investment earnings	2,673	419	714	3,806	842
Net cash provided by investing activities	10,308	6,192	19,692	36,192	16,648
Net increase (decrease) in cash and cash equivalents	184,118	(3,250)	15,443	196,311	17,578
Cash and cash equivalents at beginning of year	176,964	28,184	50,425	255,573	31,345
Cash and cash equivalents at end of year	\$ 361,082	24,934	65,868	451,884	48,923

continued...

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS – *Continued*

	Enterprise Funds				Internal Service Funds
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided/(required) by operating activities:					
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating income (loss)	\$ 91,426	1,940	(23,256)	70,110	10,206
Adjustments to reconcile operating income (loss) to net cash provided/(required) by operating activities:					
Depreciation and amortization	90,869	10,558	3,911	105,338	745
CHANGE IN ASSETS AND LIABILITIES:					
Changes in net pension liability and related deferred inflows of resources	(1,545)	(225)	22	(1,748)	(740)
Changes in net OPEB liability and related deferred inflows of resources	(504)	(89)	(1)	(594)	(430)
(Increase) decrease in receivables	(3,236)	(1,064)	(1,099)	(5,399)	767
Decrease in inventories	262	—	—	262	127
(Increase) in prepaid items	(1,150)	(1)	(41)	(1,192)	(2,084)
Increase (decrease) in payables	(428)	1,669	1,065	2,306	(1,580)
(Decrease) in payroll payables	(822)	(72)	—	(894)	—
Increase (decrease) in unearned revenue	(19)	—	872	853	—
Increase (decrease) in other liabilities	170	(80)	(34)	56	(3,163)
Net cash provided/(required) by operating activities	\$ 175,023	12,636	(18,561)	169,098	3,848
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Increase (decrease) amounts due from other governments	\$ —	(656)	16,541	15,885	—
(Gain) loss on disposal of capital assets	1,719	853	(1)	2,571	—
Decrease in accrued interest	(232)	—	(13)	(245)	—
Capital contributed by others	40,709	11,497	—	52,206	—
Non-cash capital contributed from (to) other funds	—	131	(131)	—	—
Amortization of bond premium and deferred items on refunding	3,665	—	—	3,665	—
Increase in fair value of investments not classified as cash and cash equivalents	1,205	181	470	1,856	651

The notes to the basic financial statements are an integral part of this statement.

FIDUCIARY FUNDS STATEMENT OF FIDUCIARY NET POSITION

December 31, 2020

(in thousands of dollars)

	<u>Custodial Funds</u>	<u>Pension and OPEB Trust Funds</u>
ASSETS:		
Cash and cash equivalents	\$ 57,926	57,638
Investments, at fair value:		
U.S. treasury bonds	—	62,584
Asset-backed securities	—	15,082
U.S. governmental agencies	—	47,814
Commercial mortgage-backed securities	—	15,316
Futures contracts	—	(53)
Corporate bonds	—	154,574
Collateralized mortgage obligations	—	18,410
Corporate equities	—	872,254
International equities	—	209,694
Preferred stock	—	263
Total investments	—	1,395,938
Securities lending collateral investment pool	—	36,283
Contributions receivable from employer	—	540
Prepaid benefit payments	—	6,983
Taxes receivable	47,194	—
Total assets	\$ 105,120	1,497,382
LIABILITIES:		
Accounts payable	\$ —	3,398
Liability for securities lending agreement	—	36,283
Due to others	85,957	—
Total liabilities	\$ 85,957	39,681
NET POSITION:		
Net position – restricted for pension benefits	\$ —	1,275,247
Net position – restricted for OPEB	—	182,454
Net position – restricted for individuals, organizations, and other governments	19,163	—
Total net position	\$ 19,163	1,457,701

The notes to the basic financial statements are an integral part of this statement.

FIDUCIARY FUNDS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended December 31, 2020

(in thousands of dollars)

	<u>Custodial Funds</u>	<u>Pension and OPEB Trust Funds</u>
ADDITIONS:		
Contributions:		
Employer	\$ —	57,465
Employee	—	6,289
Total contributions	<u>—</u>	<u>63,754</u>
Investment income:		
Net increase in the fair value of investments	—	155,676
Securities lending income	—	65
Interest and dividends	—	25,101
	<u>—</u>	<u>180,842</u>
Less – Investment expense	—	(5,060)
Securities lending expense	—	(11)
Net investment income	<u>—</u>	<u>175,771</u>
Taxes collected for other agencies	1,530,337	—
Court fees collected for other agencies	73,938	—
Court individual cases	17,056	—
Sheriff fees collected	6,373	—
Sheriff inmate account deposits	3,809	—
Corrections inmate account deposits	376	—
Seized assets	1,622	—
Total additions	<u>1,633,511</u>	<u>239,525</u>
DEDUCTIONS:		
Benefits paid	—	90,507
Insurance premiums	—	2,488
Administrative expenses	—	1,360
Payments of court fees to other agencies	73,938	—
Payments to others	8,338	—
Payments of taxes to other agencies	1,530,337	—
Payments of Sheriff fees to agencies	6,373	—
Payments from inmates to others	4,005	—
Distribution of seized assets	672	—
Total deductions	<u>1,623,663</u>	<u>94,355</u>
Net increase in fiduciary net position	9,848	145,170
Net position – beginning of year	<u>9,315</u>	<u>1,312,531</u>
Net positions – end of year	<u>\$ 19,163</u>	<u>1,457,701</u>

The notes to the basic financial statements are an integral part of this statement.

COMPONENT UNITS COMBINING STATEMENT OF NET POSITION

December 31, 2020

(in thousands of dollars)

	<u>Public Library</u>	<u>Development Authority</u>	<u>Health Department</u>	<u>Total</u>
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 8,517	101,163	16,980	126,660
Receivables, net of allowance	295	—	—	295
Lease receivable from primary government, current portion	—	6,915	—	6,915
Due from primary government	—	2,331	—	2,331
Economic development contract receivable from primary government, current portion	—	2,805	—	2,805
Due from other governments	—	—	1,338	1,338
Total current assets	<u>8,812</u>	<u>113,214</u>	<u>18,318</u>	<u>140,344</u>
Noncurrent assets:				
Lease receivable from primary government	—	143,208	—	143,208
Economic development contract receivable from primary government, current portion	—	64,880	—	64,880
Due from Rowen Foundation	—	60,680	—	60,680
Capital assets, net of depreciation	399	—	492	891
Total noncurrent assets	<u>399</u>	<u>268,768</u>	<u>492</u>	<u>269,659</u>
Total assets	<u>9,211</u>	<u>381,982</u>	<u>18,810</u>	<u>410,003</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Pension experience differences	798	—	565	1,363
Pension assumption changes	1,886	—	299	2,185
Pension investment differences	441	—	—	441
Proportionate share of pension contributions	72	—	44	116
Pension contributions subsequent to the measurement date	1,012	—	2,823	3,835
OPEB experience differences	—	—	6	6
OPEB assumption changes	2,329	—	25	2,354
OPEB investment differences	37	—	322	359
Proportionate share of OPEB contributions	139	—	90	229
OPEB contributions subsequent to the measurement date	219	—	581	800
Deferred charge on refunding of bonds	—	853	—	853
Total deferred outflows of resources	<u>6,933</u>	<u>853</u>	<u>4,755</u>	<u>12,541</u>

continued...

COMPONENT UNITS COMBINING STATEMENT OF NET POSITION – *Continued*

	<u>Public Library</u>	<u>Development Authority</u>	<u>Health Department</u>	<u>Total</u>
LIABILITIES:				
Current liabilities:				
Accounts payable	758	4,413	1,025	6,196
Accrued salaries and related payments	326	—	—	326
Due to other governments	—	—	28	28
Total current liabilities	<u>1,084</u>	<u>4,413</u>	<u>1,053</u>	<u>6,550</u>
Noncurrent liabilities:				
Due within one year	120	9,720	584	10,424
Due in more than one year	33,368	298,280	21,013	352,661
Due to primary government – economic development contract	—	70,238	—	70,238
Total noncurrent liabilities	<u>33,488</u>	<u>378,238</u>	<u>21,597</u>	<u>433,323</u>
Total liabilities	<u>34,572</u>	<u>382,651</u>	<u>22,650</u>	<u>439,873</u>
DEFERRED INFLOWS OF RESOURCES:				
Pension investment differences	—	—	529	529
Proportionate share of pension contributions	352	—	332	684
OPEB experience differences	1,537	—	1,657	3,194
OPEB assumption changes	1,253	—	4,461	5,714
OPEB investment differences	—	—	112	112
Proportionate share of OPEB contributions	827	—	156	983
Deferred gain on refunding bonds	—	1,429	—	1,429
Total deferred inflows of resources	<u>3,969</u>	<u>1,429</u>	<u>7,247</u>	<u>12,645</u>
NET POSITION:				
Net investment in capital assets	314	—	492	806
Restricted for grant programs	2	—	—	2
Restricted for health programs	—	—	6,873	6,873
Unrestricted	<u>(22,713)</u>	<u>(1,245)</u>	<u>(13,697)</u>	<u>(37,655)</u>
Total net position	<u>\$ (22,397)</u>	<u>(1,245)</u>	<u>(6,332)</u>	<u>(29,974)</u>

The notes to the basic financial statements are an integral part of this statement.

COMPONENT UNITS COMBINING STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

(in thousands of dollars)

	Expenses	Program Revenues		Public Library Total	Development Authority Total	Health Department Total	Total
		Charges for Services	Operating Grants and Contributions				
Public library	\$ 21,678	319	408	(20,951)	—	—	(20,951)
Development authority	78,518	—	—	—	(78,518)	—	(78,518)
Health department	26,146	6,341	23,847	—	—	4,042	4,042
Total component units	\$ 126,342	6,660	24,255	(20,951)	(78,518)	4,042	(95,427)
General Revenues:							
Lease interest income – development authority				—	6,484	—	6,484
Intergovernmental revenue from primary government, not restricted for specific programs				19,580	884	—	20,464
Intergovernmental revenue from State of Georgia, not restricted for specific programs				1,295	—	—	1,295
Intergovernmental revenue from the federal government, not restricted for specific programs				61	—	—	61
Investment income				35	174	—	209
Loan interest income				—	356	—	356
Economic development contract income				—	68,015	—	68,015
Miscellaneous				—	273	—	273
Total general revenues				20,971	76,186	—	97,157
Change in net position				20	(2,332)	4,042	1,730
Net position – beginning				(22,417)	1,087	(10,374)	(31,704)
Net position – ending				\$ (22,397)	(1,245)	(6,332)	(29,974)

The notes to the basic financial statements are an integral part of this statement.

DID YOU KNOW

The Sheriff's Office opened two therapeutic communities in 2020: the Fresh State Garden Unit for incarcerated women and the Restoration and Recovery Unit for incarcerated men who suffer from substance abuse.



NOTES TO THE
FINANCIAL
STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1.

Summary of Significant Accounting Policies

The financial statements of Gwinnett County, Georgia, have been prepared in conformity with Generally Accepted Accounting Principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are described below:

A. Reporting entity

The County operates under a Commission-County Administrator form of government. As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standard No. 14, "The Financial Reporting Entity," as amended by GASB Statements No. 39, 61, 80, 84, 85, and 90, the component units' financial statements have been included as blended or discretely presented component units. Blended component units, although legally separate entities, are in substance part of the County's operations, so financial data from these units are combined with the financial data of the primary government. Each discretely presented component unit, on the other hand, is reported separately in the governmentwide financial statements to emphasize that it is legally separate from the County. The component units' financial information disclosed within the governmentwide financial statements reflects the most recently audited financial statements. The following is a brief review of each component unit addressed in defining the government's reporting entity.

Included with the reporting entity as Blended Component Units:

The **Airport Authority**, consisting of a five-member board, is appointed by the governing authority of the County. The Airport Authority provides a means to issue revenue bonds for airport facilities. Although it is legally separate from the County, the Airport Authority is reported as if it were part of the primary government because its sole purpose is to finance, construct, equip, and maintain the County airport facility. Bond issuance authorizations are approved by the County, and the County is legally obligated to provide resources in case there are deficiencies in debt service payments. At December 31, 2020, the authority had no assets, liabilities, or fund equity. In addition, during 2020, the authority had no revenues or expenses.

The **Public Facilities Authority**, consisting of a three-member board, is appointed by the governing authority of the County. The Public Facilities Authority provides a means to issue revenue bonds. Although it is legally separate from the County, the authority is reported as if it were a part of the primary government because its sole purpose is to finance, construct, equip, expand, and maintain County fire station facilities. Bond issuance authorizations are approved by the County, and the County is legally obligated to provide resources in case there are deficiencies in debt service payments. At December 31, 2020, the authority had no assets, liabilities, or fund equity. In addition, during 2020, the authority had no revenues or expenses.

The **Recreation Authority**, consisting of a nine-member board, is appointed by the governing authority of the County. The Recreation Authority provides a means to issue revenue bonds for park facilities. Although it is legally separate from the County, the Recreation Authority is reported as if it were a part of the primary government because its sole purpose is to finance, construct, equip, and expand County park facilities. Bond issuance authorizations are approved by the County's governing authority, and the County is legally obligated to provide resources in case there are deficiencies in debt service payments. At December 31, 2020, the authority had no assets, liabilities, or fund equity. In addition, during 2020, the authority had no revenues or expenses.

The **Stormwater Authority**, consisting of a seven-member board, is appointed by the governing authority of the County. The Stormwater Authority provides a means to issue revenue bonds for stormwater infrastructure. Although it is legally separate from the County, the Stormwater Authority is reported as if it were a part of the primary government because its sole purpose is to finance, construct, expand, improve, and maintain stormwater management systems and facilities for the County. Bond issuance authorizations are approved by the governing authority of the County, and the County is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. At December 31, 2020, the authority had no assets, liabilities, or fund equity. In addition, during 2020, the authority had no revenues or expenses.

The **Urban Redevelopment Agency** consists of a five-member board that is the same as the governing board of the County. The Urban Redevelopment Agency provides a means to issue revenue bonds. Although it is legally separate from the County, the authority is reported as if it were a part of the primary government because its sole purpose is to finance, construct, equip, and expand facilities and infrastructure for County redevelopment purposes, and its board is made up of members of the governing board of the County. Bond issuance authorizations are approved by the County, and the County is legally obligated to provide resources in case there are deficiencies in debt service payments. The 2020 activity of the Urban Redevelopment Agency included debt service on bonds issued for redevelopment. This activity is reported in the Economic Development Fund (non-major enterprise fund) financial statements.

The **Water and Sewerage Authority**, consisting of a five-member board, is appointed by the governing authority of the County. The Water and Sewerage Authority provides a means to issue revenue bonds for water and sewer facilities. Although it is legally separate from the County, the Water and Sewerage Authority is reported as if it were a part of the primary government because its sole purpose is to finance, construct, equip, and expand County water treatment and transmission facilities. Bond issuance authorizations are approved by the governing authority of the County, and the County is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The 2020 activity of the Water and Sewerage Authority included issuing \$176.9 million in revenue bonds to fund improvements and extensions to the water and sewerage system and debt service on existing bonds. This activity is reported in the Water and Sewerage Fund financial statements.

Complete financial statements and/or audit statements of the individual blended component units may be obtained at the Gwinnett County Department of Financial Services located at:

75 Langley Drive
Lawrenceville, GA 30046

Included with the reporting entity as Discretely Presented Component Units:

The **Gwinnett County Public Library** (the "Library") operates the County's public libraries for the residents of the County. The Library Board consists of five members appointed by the Gwinnett County Board of Commissioners. Although the County does not have the authority to approve or modify the Library's operational or capital budgets, it does have the ability to control the amount of funding the County provides. Such funding is significant to the overall operations of the Library. Gwinnett County owns all Library land and building capital assets.

The Library operates on a fiscal year-end of December 31. Complete financial statements of the Library may be obtained at the entity's administrative office at the following address:

Gwinnett County Public Library
1001 Lawrenceville Highway
Lawrenceville, GA 30046

The **Development Authority of Gwinnett County** consists of a seven-member board appointed by the governing authority of the County. The Development Authority's sole purpose is to finance the acquisition or construction of industrial and commercial facilities deemed to be in the public interest through the issuance of bonds. These bonds are issued on behalf of various public or private entities, including the Gwinnett County Board of Education. Neither the Authority, the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of these bonds except for the issuances described below. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. In 2001, the Development Authority issued revenue bonds for the expansion of the Gwinnett Center, now known as the Gas South District. The County has entered into a lease agreement with the Development Authority to lease the Center for a 30-year period. The 2001 bonds were refinanced in 2010. In 2007, the Development Authority issued revenue bonds for a parking deck at the Gas South District. In 2008, the Development Authority issued revenue bonds to build the baseball stadium, known as Coolray Field, and a recycling center. The recycling bonds were cash-defeased in 2010. In early 2017, Gwinnett County and its Development Authority completed the refunding of selected maturities of 2008 Stadium Bonds. The date of issuance for these bonds was January 26, 2017. In 2018, the Development Authority issued revenue bonds for the Gas South District Expansion and Parking Deck Project. In 2020, the Development Authority issued revenue bonds to refund the existing 2007 parking deck bonds, the 2010 arena refunding bonds, and to fund the expansion of the civic center and other improvements on the Gas South District campus. In 2020, the 30 year ground lease with the Development Authority was amended to continue until 2050. The County has pledged hotel/motel tax revenues to the Development Authority to satisfy the lease payments for these issues in an amount equal to the required debt service of the bonds. Also, in 2020, the Development Authority issued revenue bonds to finance the Rowen knowledge community through a loan to the Rowen Foundation. The Series 2020 Bonds are limited obligations of the Authority, payable solely from payments to be made by the County pursuant to an intergovernmental contract in amounts sufficient to enable the Authority to pay principal and interest on the Series 2020 Bonds when due. Therefore, due to these agreements, a significant financial relationship exists, and the Development Authority is reported as a discretely presented component unit. The Development Authority operates on a fiscal year-end of December 31.

Complete financial statements of the individual component unit may be obtained at the Gwinnett County Department of Financial Services located at:

75 Langley Drive
Lawrenceville, GA 30046

The **Gwinnett County Board of Health**, doing business as the Gwinnett County Health Department, is considered a discretely presented component unit based upon the criteria in GASB Statement No. 14, as amended. The Board of Health consists of seven members. Two members are appointed by the city of Lawrenceville. The Gwinnett Board of Commissioners appoints three members, and the Chairman/Chairwoman of the Board of Commissioners (or their designee) serves as a member. The County Superintendent of Schools rounds out the membership. County appointments or members make up the majority of the Board of Health. The County contributed approximately 5.2 percent of the board's revenues during its fiscal year ended June 30, 2020. Because the County appoints the majority of the board and because of the financial relationship between the Health Department and the County, the Health Department is reported as a discretely presented component unit.

The Board of Health operates on a June 30 fiscal year. The financial information presented for this discretely presented component unit is as of June 30, 2020.

The County does not prepare the financial statements of the Board of Health. The Board of Health engages other auditors to perform an audit of its financial records. Complete financial statements of the Gwinnett County Health Department may be obtained at the following address:

GNR Health
2570 Riverside Parkway
Lawrenceville, GA 30046

Related Organizations

The **Housing Authority of Gwinnett County** (the "Housing Authority") is considered a related organization based upon the criteria in GASB Statement No. 14. Pursuant to *Official Code of Georgia Annotated (O.C.G.A.) §8-3-4*, the Housing Authority is a separate legal entity from Gwinnett County. Further, pursuant to *O.C.G.A. §8-3-50*, the County appoints a voting majority of the Housing Authority members. However, the County is not able to impose its will upon the Housing Authority nor does a financial benefit/burden relationship exist between them.

The **Arts Facility Authority** is considered a related organization based upon the criteria in GASB Statement No. 14. The Arts Facility Authority is a separate legal entity from Gwinnett County. The County appoints the five-member board of the Arts Facility Authority. However, the County is not able to impose its will upon the Arts Facility Authority nor does a financial benefit/burden relationship exist between them.

Joint Venture

The Atlanta Regional Commission is considered a joint venture based upon the criteria in GASB Statement No. 14. Under Georgia law, the County, in conjunction with other cities and counties in the 10-county metropolitan Atlanta, Georgia area, is a member of the ARC. Membership in a Regional Commission is required by *O.C.G.A. §50-8-34*, which provides for the organizational structure of the RC in Georgia. The County paid dues in the amount of \$1,020,380 to the ARC for the year ended December 31, 2020. The ARC Board membership includes the chief elected official of each county and municipality of the area. *O.C.G.A. §50-8-39.1* provides that the member governments are liable for any debts or obligations of an RC. Complete financial statements of the RC may be obtained at the following address:

Atlanta Regional Commission
40 Courtland Street NE
Atlanta, GA 30303

B. Governmentwide and fund financial statements

The governmentwide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmentwide financial statements do not provide information by fund, but distinguish between the County's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units. The statement of net position includes noncurrent assets and liabilities. In addition, the governmentwide statement of activities reflects depreciation expenses on the County's capital assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the governmentwide financial statements. Major individual government funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The governmentwide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements (custodial funds do not have a measurement focus but use the accrual basis of accounting). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. In 2020, property taxes that were collected within 60 days of the end of the current fiscal period were recognized as revenue because of delayed billings related to the COVID-19 pandemic. Major revenue sources which are susceptible to accrual are property tax, sales tax, insurance premium tax, and intergovernmental revenue. Similar to accrual accounting, expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. For 2020, the County has recorded a \$47.2 million receivable and unavailable revenue for insurance premium tax due from the state of Georgia for taxes collected in 2020, which will be paid to the County in 2021. The County has recorded a \$13.3 million receivable and unavailable revenue for property taxes and special assessments levied in 2020 and prior years, but expected to be collected in 2021 (adjusted for an allowance for doubtful accounts). The County also recorded a \$3.6 million receivable and unavailable revenue for emergency medical services provided in 2020, but expected to be collected in 2021 (adjusted for an allowance for doubtful accounts).

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The non-major governmental and enterprise funds are aggregated into a single column within the respective fund financial statements.

The County reports the following major governmental funds:

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

The **Fire and Emergency Medical Services District Fund** accounts for the revenues and expenditures attributable to the Fire and Emergency Medical Services District. This district includes all properties within unincorporated Gwinnett County and all cities except Loganville. The city of Loganville operates its own fire department, but residents and businesses continue to receive County-provided emergency medical services. Properties in this district are taxed based on the services they receive. Property taxes and ambulance fees are the major revenue sources for this fund and are restricted to provide fire and emergency medical services in the district.

The **Police Services District Fund** accounts for the revenues and expenditures attributable to the Police Services District. This district includes all properties within unincorporated Gwinnett County and cities that do not operate their own police departments. Gwinnett County is responsible for providing police protection within this district. Properties in this district are taxed based on the services they receive. Property taxes and insurance premium taxes are the major revenue sources for this fund. Minor resources include permits and licenses, fines and forfeitures, and charges for services. These revenues are restricted to provide police services in the district.

The **CARES Act Grant Fund** accounts for funds received under the federal CARES Act grant program.

The **Other Capital Projects Fund** accounts for the financial resources to be used for the purchase and construction of major capital facilities, other than those accounted for in specific funds, which are not financed by the proprietary funds. The primary resource for this fund is contributions from governmental operating funds.

The **2009 Sales Tax Fund** accounts for the financial resources provided from the 2009 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for libraries, parks and recreation, public safety, transportation projects, and courthouse facilities.

The **2014 Sales Tax Fund** accounts for the financial resources provided from the 2014 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for libraries, parks and recreation, public safety, transportation projects, and senior service facilities.

The **2017 Sales Tax Fund** accounts for the financial resources provided from the 2017 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for libraries, parks and recreation, public safety, senior service facilities, transportation projects, and civic center expansion.

The County reports the following major proprietary funds:

The **Water and Sewerage Fund** accounts for the activities of the Water and Sewerage Authority, a blended component unit of the government and the Water and Sewerage System. The system includes sewage treatment plants, sewage pumping stations and collection systems, and the water production plants and distribution systems.

The **Stormwater Fund** accounts for the provision of stormwater services to the residents of the County, including administration, operations, maintenance, billing, and collections.

Internal Service Funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government on a cost reimbursement basis. The County's internal service funds include the Group Self-Insurance, Risk Management, Fleet Management, Auto Liability, and Administrative Support Funds.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. The Water and Sewerage Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds also include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County also reports the following fiduciary fund types:

Custodial Funds account for assets held by the government as an agent for the Tax Commissioner, Clerk of Courts, Recorder's Court, Sheriff, Probate Court, Juvenile Court, Corrections, and District Attorney. Custodial Funds are accounted for on the full accrual basis of accounting.

Pension and Other Employee Benefit Trust Funds account for the County's Defined Benefit Pension Plan and Other Post-Employment Benefits. These funds accumulate resources for pension and post-employment benefit payments to qualified retirees.

D. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include demand deposits and savings accounts with financial institutions and deposits with fiscal agents. State of Georgia statutes and the County's investment policy authorize the County to invest in direct obligations of the U.S. government; obligations insured or guaranteed by the U.S. government or a U.S. government agency; obligations of any U.S. government instrumentally or sponsored corporation; prime bankers' acceptances; obligations of the state of Georgia and its political subdivisions; certain collateralized repurchase agreements; certain customized and collateralized bank products; and the state of Georgia Office of State Treasurer Georgia Fund-1 Liquidity Pool. The County's non-participating interest-earning investment contracts are recorded at cost. The remaining investments are carried at fair value.

There is negligible credit risk associated with the County's investments primarily due to reliance upon securities of the U.S. government and its agencies or instrumentalities by both the County and the Office of the State Treasurer. As with any fixed-income portfolio, market price risk exists in a changing interest rate environment and some of the County's investments are subject to decline in fair value as interest rates fluctuate. Securities with more than a small amount of market risk are held almost exclusively as investment of capital funds to be used for projects with long construction schedules.

Operating funds are currently invested in the Georgia Fund 1 Liquidity Pool, certificates of deposit of short duration, and U.S. government agency securities. Operating funds are also held in non-interest bearing checking accounts insured by the Federal Deposit Insurance Corporation and collateralized through the Georgia Secure Deposit Program or maintained in fully collateralized, interest-bearing demand deposit, savings, and public funds money market accounts with financial institutions. Georgia Fund 1 operates as a stable asset value investment pool and is rated AA+ by Standard and Poor's. Georgia Fund 1 is managed by the Office of the State Treasurer under the policies included in Georgia Law O.C.G.A. §36-83-1 and §36-83-8. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of investments to fair value as of year-end, and the County's investment in Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. (See [Note 3 – Cash, Cash Equivalents, and Investments](#) for additional information).

Pension and OPEB Trust Funds – The Pension and OPEB Trust Funds are authorized to invest in obligations of the United States Treasury or its agencies and instrumentalities; collateralized mortgage obligations; asset and mortgage-backed securities; taxable bonds that are obligations of any state and its agencies, instrumentalities, and political subdivisions; and certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations. Additionally, they are authorized to invest in common stocks, money market instruments, and corporate bonds and debentures that are not in default as to principal and interest. Investments are recorded at fair value.

E. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of inter-fund activity has been removed from the governmentwide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the governmentwide statement of net position as "internal balances." In the fund-level balance sheets or statements of net position, these receivables and payables are classified as "due from other funds" or "due to other funds."

F. Inventories

Inventories are valued at cost using a weighted average costing assumption. The cost of inventories is recorded as an expenditure at the time individual inventory items are consumed (consumption method).

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the balance sheet date are recorded as prepaid items. The cost of the related payment is recorded as an expenditure over the time the related services are provided (consumption method).

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, dams, and similar items), are reported in the applicable governmental or business-type activities columns in the governmentwide financial statements. Governmental capital assets are recorded as expenditures (capital outlay) in the governmental funds and capitalized at cost in the governmentwide statement of net position. The County's capitalization threshold is \$25,000 for software and \$5,000 for all other assets. Some assets under the threshold are capitalized for control purposes.

Capital assets are recorded at historical cost. Donated capital assets are recorded at their acquisition value at the date of donation.

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

Major outlays for capital assets and major improvements are capitalized as projects are constructed.

In accordance with the Governmental Accounting Standards Board Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period," interest incurred during the construction period of capital assets is recorded as an expense and is not included as part of the capitalized value of the assets.

Depreciation is calculated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25 – 50
Infrastructure	45 – 50
Improvements (other than buildings)	10 – 99
Equipment	3 – 10
Vehicles	2 – 15

I. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable debt covenants.

J. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports the deferred charge on debt refunding, goodwill, pension related deferred outflows of resources, and OPEB-related deferred outflows of resources in the proprietary funds and the governmentwide statement of net position. A deferred charge on debt 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 or refunding debt. Goodwill results from transactions where the consideration provided exceeds the net position acquired. In accordance with the Governmental Accounting Standards Board Statement No. 69 as clarified by Statement No. 85, effective for 2018 and later years, Goodwill is reported as a deferred outflow of resources. This amount is deferred and amortized over future periods. Pension and OPEB-related deferred outflows of resources are discussed more in [Note 12](#) and [Note 13](#).

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports the deferred gain on refunding, pension related deferred inflows of resources, and OPEB-related deferred inflows of resources in the proprietary funds and the governmentwide statement of net position. A deferred gain on debt 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 or refunding debt.

The County has unavailable revenue, which arises only under the modified accrual basis of accounting, that qualifies for reporting in this category on the governmental funds balance sheet. The following amounts are deferred and recognized as an inflow of resources in the period that the amounts become available:

Unavailable Revenues	General	Fire and EMS Services District	Police Services District	Non-Major Governmental	Total
Property taxes	\$ 6,045	\$ 2,895	\$ 1,690	\$ 2,487	\$ 13,117
Insurance premium taxes	—	—	47,226	—	47,226
Emergency medical services	—	3,590	—	—	3,590
Special assessments	—	—	—	231	231
Miscellaneous	6	—	—	1,524	1,530
Total	\$ 6,051	\$ 6,485	\$ 48,916	\$ 4,242	\$ 65,694

K. Compensated Absences

The liability for accumulated unpaid vacation pay, other salary-related payments, and accumulated sick pay benefits for employees in the Defined Contribution Pension Plan have been accrued in the proprietary funds and the governmentwide statements of net position as accumulated leave benefits. Accumulated sick pay for employees in the Defined Contribution Pension Plan has been accrued as the County has a policy in which it pays out in cash a portion of accumulated sick pay at retirement for these employees. The amount accrued for this sick pay has been estimated based on the amount which is probable to be paid. These amounts are not considered a current liability within the governmental fund types' balance sheets since they will be paid from appropriations of subsequent years.

Accumulated sick pay benefits for all other employees have not been recorded as a liability because the payment of the benefits is contingent upon the future illness of an employee. It is not expected that any unrecorded sick pay benefits will exceed a normal year's accumulation.

L. Estimated Claims Payable

The liability for claims and judgments against the County, including the estimated liability for claims incurred but not reported at year-end, has been accrued in the County's Risk Management, Group Self-Insurance, and Auto Liability Funds (internal service funds), and the governmentwide statement of net position.

M. Pension Plan(s) and Other Post-Employment Benefits

The County provides a defined benefit pension plan to a large segment of the workforce. Eligibility is based on employment status and a vesting period. Benefits are based on years of service and other factors. As of January 1, 2016, it is the County's policy to fund the service cost and amortization of any unfunded prior service cost over 17 years. As discussed in [Note 12](#), a defined contribution plan was established effective August 1, 2000, to provide retirement benefits for appointed employees, appointed officials, and elected officials. Effective January 1, 2007, all new eligible employees were required to participate in this plan, and the defined benefit plan was closed to new employees. The County provides certain other benefits to retirees and otherwise terminated employees as post-employment benefits.

N. Long-term Obligations

In the governmentwide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are accrued and amortized over the life of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed upon issuance.

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 debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Fund Balance

Fund balance represents the difference between assets and liabilities and deferred inflows of resources in reporting which utilizes the current financial resources measurement focus. In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," the County established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners, through a resolution, may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. The County Administrator, Deputy County Administrator, and Chief Financial Officer/Director of Financial Services collectively are authorized by the General Fund Operating Reserve Policy approved by the Board of Commissioners to assign fund balances for specific purposes in accordance with the intent and actions of the Board of Commissioners.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

In order to maintain a prudent level of financial resources to guard its stakeholders against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures, Gwinnett County operates under the following fund balance reserve policies:

General Fund Reserve Policy – The County maintains a minimum level of unassigned fund balance in the General Fund equivalent to three months of regular, ongoing operating expenditures (including transfers out).

Special Revenue Funds Reserve Policy – The County maintains a minimum level of restricted or committed fund balance equivalent to three months of regular, ongoing operating expenditures (including transfers out) in all special revenue operating funds that receive property tax revenue (i.e., Recreation District Fund), assess a fee directly to residents (i.e., Speed Hump Fund), or include operational expenditures for more than 25 employees (i.e., E-911 Fund). Amounts used in the special revenue funds reserve policy calculation should not include any amounts allocated for another purpose by the Board of Commissioners.

Enterprise Funds Reserve Policy – The County maintains a minimum level of working capital in enterprise funds equivalent to three months of regular, ongoing operating expenses (including transfers out), except for the Local Transit Operating Fund, which is reported as part of the Transit Fund. The Local Transit Operating Fund, or any fund that is subsidized by the General Fund on an ongoing basis, maintains reserves equal to one month of regular, ongoing operating expenses (including transfers out), with any excess reverting back to the General Fund. For purposes of this calculation, working capital includes long-term investments that can be liquidated within five business days.

P. Net Position

Net position represents the difference between the assets and deferred outflows of resources, and the liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction, or improvement of those assets. Net position is reported as restricted using the same definition used for restricted fund balance described in the section above. All other net position is reported as unrestricted.

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

Q. Interfund Transactions

Interfund services provided and used are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services provided and used, are reported as transfers.

R. Connection Charges

In the enterprise funds, fees charged to connect to the County's water and sewerage system, up to the cost of the connection, are recorded as operating income. The remaining portions of the fees are recorded as capital contributions.

S. System Development Charges

In the Water and Sewerage Fund, system development charges, in accordance with the *Water and Sewerage Ordinance*, are recorded as capital contributions.

T. Statement of Cash Flows

For purposes of the statement of cash flows, cash management pools, deposits in the Georgia Fund-1 state investment pool, and investments purchased with an original maturity date of three months or less are considered cash equivalents.

U. Allocation of Indirect Expenses

The County allocates indirect expenses of the General Fund and Administrative Support Fund to the enterprise funds and certain governmental functions based on their respective use of indirect services.

V. Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2.

Legal Compliance – Budgets

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

1. Prior to December 1, the Chairman/Chairwoman submits a proposed budget to the Board of Commissioners governing expenditures of all County funds for the fiscal year commencing the following January 1.
2. In December, the Board of Commissioners holds a public hearing on the proposed budget to obtain citizen comments.
3. The Board of Commissioners formally adopts the budget (or continuation budget if the Commission requires additional review of the proposed budget) at the first regular meeting in January of the current budget year. Once the Commission has agreed on the proposed budget, a resolution is adopted by the Commission replacing the proposed budget. A balanced budget is required by law. The budget specifies the anticipated funding sources for each fund and appropriations for proposed expenditures to the departments or organization units named in each fund.
4. Expenditures of any Operating Budget Fund or Capital Budget Fund shall not exceed the Appropriations authorized by the Budget Resolution and any Amendments thereto or Actual Funding Sources, whichever is less.
5. Expenditures of any Operating Budget Fund or Capital Budget Fund are subject to the policies as established by the Board of Commissioners and the County Administrator.
6. In accordance with the *Official Code of Georgia Annotated* § 33-8-8.3, proceeds from the tax on insurance premiums in the amount of \$35,494,448 are recorded within the Police Services Special District Fund for the primary purpose of funding police protection to inhabitants of unincorporated Gwinnett in its entirety, budgeted at \$144,220,153 and remaining funding of \$108,725,705 anticipated from direct revenues and taxes.
7. Budgets for capital projects funds are adopted on a multi-year basis as provided for in *Official Code of Georgia Annotated* § 36-81-3(b)(2) and are appropriated annually. Any unspent budget at the end of the year is rolled forward to the next year.
8. Indirect Cost Allocations and Contributions as appropriated in any Fund within the various accounts of a Department or Agency are restricted for the express purpose as designated.
9. A vacancy period for a minimum of ninety days shall ensue immediately upon the separation of employment by an employee from a County department or Agency.
10. Transfers of appropriations in any Fund among the various categories within a Department or Agency shall require only the approval of the Director of Financial Services so long as the total budget for each Department or Agency is not increased.
11. The County's legal level of budgetary control (the level at which expenditures may not exceed appropriations) is at the department level for each fund for which a budget is required with the following provision:

Any increase in Appropriations in any Fund for a Department or Agency, whether through a change in anticipated revenues in any fund or through a transfer of appropriations among departments or agencies, shall require the approval of the Board of Commissioners, except in the following cases where authority is granted to:

The Department Director to:

- (a) set fee structures provided that they are not restricted by rate setting policies and agreements; and
- (b) allocate funds previously approved between existing capital projects within the SPLOST Programs or Enterprise Funds, within Department or Agency, within the same category of projects.

The Director of Financial Services to:

- (a) allocate funds to appropriate Departments or Agency from insurance proceeds for the replacement or repair of damaged equipment items;
- (b) allocate funds from Operating or Capital Non-Department contingencies and reserves to cover existing obligations/expenses in accordance with the intent and actions of the Board of Commissioners; however, in no case shall appropriations exceed actual available funding sources; allocate funds from established reserves for leave balances at retirement, salary adjustments and reclassification to Department and Agency as necessary to provide funding for compensation actions, reductions in force and retirement incentives; transfer funds resulting from salary savings or transfer balances resulting from under expenditures in operating accounts into Non-Departmental reserves to fund accrued liabilities and expend funds within Non-Departmental reserve to reduce said accrued liabilities;
- (c) authorize preparation and submission of applications for grant funding; however, acceptance of all grant awards is subject to the approval of the Board of Commissioners;
- (d) adjust revenue and appropriation budgets between capital projects as necessary to incorporate grant awards previously approved by the Board of Commissioners; close grant awards upon receipt of final payment and completion of the grant; adjust revenue and appropriations budgets at the time of grant closure to match collections and expenses, respectively;
- (e) approve adjustment of revenues and appropriations within Department or Agency for capital categories/projects and revise allocated funding previously approved, or, as appropriate, transfer appropriations among fiscal years for projects as necessary to allow completion of each project and cover existing obligations/expenses in accordance with the intent and actions of the Board of Commissioners; however, in no case shall appropriations exceed actual available funding sources;
- (f) calculate savings associated with the future vacancy of any position and shall further have the authority to amend the budget of such Department or Agency at the time a vacancy arises unless an exception has been granted;
- (g) adjust revenue and appropriation budgets to incorporate collected revenue for confiscated assets in Special Use Funds, all revenue in Authority Imaging Fund, bond forfeitures, and capital projects to be allocated in contingencies or project specific levels; and
- (h) allocate \$250,000 from the Other Miscellaneous budget in General Fund towards efforts to address the opioid crisis in Gwinnett County.

The County Administrator to:

- (a) transfer funds from Department or Agency budgets to Contribution to Capital Projects for amounts up to \$50,000;
- (b) transfer funds within a capital fund from fund or program contingencies and/or savings in existing projects to establish new projects for amounts up to \$100,000;
- (c) grant exceptions to the ninety day vacancy period upon petition by a County Department or Agency so as to permit the vacant position to be filled through hire and appointment without a corresponding budgetary impact;
- (d) reallocate funding among projects approved by the Board of Commissioners;

- (e) allocate funds from the established Compensation Reserve to Department or Agency budgets to provide funding for approved compensation actions; and
 - (f) transfer funds to establish new projects related to economic development, Special Purpose Local Option Sales Tax Programs or Enterprise Funds within a capital fund from fund or program contingencies and/or savings in existing projects.
12. Authority for transfers of appropriations shall not be used as an alternative to the normal budget process, and are intended to be used only when necessary to facilitate the orderly management of projects and/or programs; transfers approved under these authorities may not be used to change the approved scope or the objective of any capital project.
 13. Annual appropriated budgets are legally adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds. Annual operating budgets are prepared for each Enterprise and Internal Service Fund for planning, control, cost allocation, and evaluation purposes. Budgetary amounts are not formally integrated into proprietary fund general ledgers. All appropriations lapse at fiscal year-end.
 14. Actual expenditures of each department by fund for the year may not exceed the budget for that department by fund, or amendments thereto, and may not exceed actual funding sources.
 15. The Board of Commissioners shall approve increases in authorized positions. Vacant positions and associated budget may be reallocated within the same Department or Agency or reassigned to another Department or Agency, and filled authorized positions and associated budget may be reassigned at the same grade level between a Department or Agency with the authorization of the County Administrator. Twenty five unallocated positions shall be available to allocate to Department or Agency with the authorization of the County Administrator as necessary.
 16. The County Administrator is granted authority to authorize benefits pursuant to *O.C.G.A. § 47-23-106* for retired Superior Court Judges.
 17. The compensation for county appointments by the Board of Commissioners to the various Boards and Authorities has been set. This does not preclude any department from reimbursing those members for actual expenditures incurred in the performance of duty.
 18. Eligible County employees may receive a pay increase as specified in the 2020 Compensation Plan. Pay increases shall be administered in accordance with current procedures as established by the County Administrator. Employee pay increases for any and all years beyond 2020 will depend upon availability of funds and appropriations by the Board of Commissioners.

Operational control of departmental budgets is accomplished through an automated system of preliminary checks of funds availability on an appropriation unit basis (group of accounts). Encumbrances, amounts of the budgetary appropriation reserved to meet an obligation, are maintained as a technique for budgetary control and are recorded when purchase orders are issued for goods and services. In the event of insufficient funds within an appropriation unit, purchase orders are not issued until an interdepartmental budget transfer is made within policy guidelines, or until the Board of Commissioners makes additional funds available.

The original budget for the year ended December 31, 2020, was amended through supplemental appropriations as follows (in thousands of dollars):

	Original Appropriation Budget	Increase/(Decrease) in Appropriation	Amended Appropriation Budget
General Fund	\$ 368,861	\$ 46,945	\$ 415,806
Special Revenue Funds	475,797	137,436	613,233
Debt Service Fund	—	1,390	1,390
Capital Projects Funds	224,725	108,582	333,307

The Statements of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Budget Basis) reflect these revisions.

Due to legal requirements, revenues and appropriations for the governmental funds are budgeted on a basis that is not consistent with GAAP. The actual results of operations on the budget basis are presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – for the General, Fire and EMS District, Police Services District (Basic Financial Statements), and all other governmental funds (Combining Statements).

Adjustments necessary to convert the results of operations from the budget basis to the GAAP basis at year-end are as follows (in thousands of dollars):

	Fund Balances at End of Year					
	General Fund	Fire and EMS District	Police Services District	CARES Act Grant	Non-major Special Revenue Funds*	Capital Projects
GAAP basis fund balance	\$ 173,289	\$ 67,703	\$ 87,592	\$ 28,000	\$ 172,895	\$ 750,272
Fair value adjustments	(16)	(162)	(246)	–	(489)	(5,289)
Budget basis	\$ 173,273	\$ 67,541	\$ 87,346	\$ 28,000	\$ 172,406	\$ 744,983

Issuance of capital leases and related expenditures are not included in the budget to actual schedules.



NOTE 3.

Cash, Cash Equivalents, and Investments

Following are the components of the County's cash, cash equivalents, and investments as of December 31, 2020 (in thousands of dollars):

	Unrestricted	Restricted	Custodial Funds	Pension and Other Employee Trust Funds	Primary Government Total
Cash and Equivalents	\$ 1,115,292	\$ 224,667	\$ 57,926	\$ 57,638	\$ 1,455,523
Investments	658,450	—	—	1,395,938	2,054,388
Total	\$ 1,773,742	\$ 224,667	\$ 57,926	\$ 1,453,576	\$ 3,509,911

Credit Risk and Interest Rate Risk – County Investments

The investment objectives of the County are set forth below in the order of priority and are applicable to both the Liquidity Portfolio (near term cash needs) and the Investment Portfolio (longer term cash needs).

- A. Each investment decision shall first consider that capital losses are to be avoided, whether from deterioration of financial fundamentals or erosion of fair value due to rapidly changing interest rates or other market and non-market factors.
- B. The portfolios must be structured in such a manner that sufficient liquidity shall exist to pay obligations as they become due, without the requirement for unplanned liquidations of securities. The Director of Financial Services shall establish criteria for the preparation of cash projections, matching maturities, and maintenance of reserve, all in order to maintain liquidity.
- C. The County seeks market rates of return on its investments, consistent with its liquidity requirements and quality and duration/maturity constraints. The County further seeks to preserve its capital by maintaining a low volatility portfolio as it relates to price fluctuations, further modifying return objectives.
- D. County funds will at all times be invested in conformity with the laws of the state of Georgia, specifically sections 36-80-3, 36-80-4, 36-82-7, and 36-83-4, along with bond ordinances or covenants, the Investment Policy, and the Department's written administrative procedures.
- E. The County's investments are to be managed on a total rate of return basis while avoiding speculative strategies and highly volatile securities. Use of high-risk (volatile) derivative securities are prohibited from purchase in either the liquidity or investment portfolio. The County seeks to acquire securities with suitable characteristics and to hold those assets until such time as market conditions or other factors create clear opportunities for increased returns. Excessive trading without clearly demonstrable benefit to the County is prohibited.

Interest Rate Risk – County Investments

The County's Investment Policy breaks out the County's investments into a liquidity portfolio and an investment portfolio. The liquidity portfolio has assets that are categorized as short-term funds and will be invested in permitted investments with an average maturity of 12 months or less. The investment portfolio will be invested in permitted investments with a stated maturity of no more than 5 years from the date of purchase.

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. Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of December 31, 2020:

Investment	Fair Value Measurement Using			Fair Value
	Level 1	Level 2	Level 3	
Federal agency securities	–	332,889,251	–	332,889,251
Federal mortgage-backed securities/collateralized mortgage obligations	–	204,127,176	–	204,127,176
Georgia state securities	–	28,177,785	–	28,177,785
U.S. treasury notes	43,755,428	–	–	43,755,428
Total investments measured at fair value	\$ 43,755,428	\$ 565,194,212	\$ –	\$ 608,949,640
Investments recorded at cost:				
Certificates of deposit				49,500,000
Investments not subject to level disclosure:				
Georgia Fund 1 (classified as cash equivalents)				1,070,462,998
Total investments				<u>\$ 1,728,912,638</u>

The U.S. treasury notes classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those investments. The investments in federal agency securities, federal mortgage-backed securities/collateralized mortgage obligations, and Georgia state securities classified as Level 2 on 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 certificates of deposits are nonparticipating interest-earning investment contracts and, accordingly, are recorded at cost.

The State of Georgia Treasurer's Office manages an investment pool, Georgia Fund 1, 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 the investments in Georgia Fund 1 within the fair value hierarchy. The investments in Georgia Fund 1 have no limitations or restrictions on withdrawals and can be removed at any time.

Custodial Credit Risk: Deposits and Investments – County

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government 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 require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance; obligations of the U.S. government; or bonds of public authorities, counties, or municipalities; or to participate in the Georgia Secure Deposit Program.

On December 31, 2020, the County did not have debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented more than 5 percent of investments.

As of December 31, 2020, the County's credit and interest rate risk related to the County's cash equivalents and investments was as follows:

Investment	Fair Value	Duration (Years)	Credit Quality
Federal agency securities	\$ 332,889,251	1.30	AA
Federal mortgage-backed securities/collateralized mortgage obligations	204,127,176	1.58	AA
Georgia state securities	28,177,785	1.63	AAA
U.S. treasury notes	43,755,428	1.06	AAA
TIAA Bank (CDARs)	49,500,000	0.41	–
Georgia Fund 1 Bank of New York Mellon Bonds	29,826,165	0.148	AAAf
Georgia Fund 1 TAD Bonds	29,195,764	0.148	AAAf
Georgia Fund 1	1,011,441,069	0.148	AAAf
Total fair value	\$ 1,728,912,638		



Pension Trust Fund Investments

As of December 31, 2020, the Pension Trust Fund had \$1,218,671,000 invested in the following types of investments (dollars in thousands) as categorized by credit risk:

Investment	Fair Value	Credit Quality
U.S. treasury bonds	\$ 9,965	AA
U.S. treasury bonds	44,672	—
Asset-backed securities	3,619	AAA
Asset-backed securities	2,066	AA
Asset-backed securities	761	A
Asset-backed securities	3,793	BBB
Asset-backed securities	2,928	—
U.S. government agencies	37,858	AA
U.S. government agencies	3,884	—
Commercial mortgage-backed securities	5,118	AAA
Commercial mortgage-backed securities	1,662	AA
Commercial mortgage-backed securities	445	A
Commercial mortgage-backed securities	6,146	—
Futures contracts	(46)	—
Corporate bonds	5,761	AAA
Corporate bonds	10,300	AA
Corporate bonds	29,695	A
Corporate bonds	61,534	BBB
Corporate bonds	562	BB
Corporate bonds	27,093	—
Collateralized mortgage obligations	147	AAA
Collateralized mortgage obligations	13,514	AA
Collateralized mortgage obligations	2,411	—
Corporate equities	761,488	—
International equities	183,065	—
Preferred stock	72	A
Preferred stock	11	BBB
Preferred stock	147	BB
Total	<u>\$ 1,218,671</u>	

Credit Risk – It is the Pension Trust Fund’s policy to limit investments in common or preferred stock of a corporation to those corporations listed on one or more of the recognized national stock exchanges in the United States of America, or those traded on the NASDAQ National Market. The policy also limits stock investments to not more than 5 percent of the assets of any fund in common or preferred stock of any one issuing corporation. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody’s, S&P, or Fitch. U.S. government treasuries and agency bonds are not classified by credit quality. Corporate equities, international equities, and mutual funds invested in equities are also not classified by credit quality.

On December 31, 2020, the Pension Trust Fund did not have debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented more than 5 percent of plan net position.

On December 31, 2020, the Pension Trust Fund had \$1,218,671,000 invested in the following investments as categorized by interest rate risk (dollars in thousands):

Investment	Fair Value	Weighted Average Maturity (Years)
U.S. treasury bonds	\$ 54,637	15.20
Asset-backed securities	13,167	5.77
U.S. government agencies	41,742	17.98
Commercial mortgage-backed securities	13,371	29.45
Futures contracts	(46)	0.23
Corporate bonds	134,945	14.93
Collateralized mortgage obligations	16,072	19.29
Corporate equities	761,488	–
International equities	183,065	–
Preferred stock	230	31.01
Total investments measured at fair value	\$ 1,218,671	

Interest Rate Risk – The Pension Trust Fund investment policy adopts the following asset mix to achieve the lowest level of risk for the plan: Equity Securities between 50 percent and 75 percent at fair value, and Fixed Income Securities between 25 percent and 50 percent and between 0 percent and 5 percent in Alternative Investments. Fixed Income Securities are indexed to Barclays Capital U.S. Aggregate. As of December 31, 2020, the Fixed Income Assets had an effective duration of 6.27 years compared to the Barclays Capital U.S. Aggregate of 6.27 years. The weighted average yield to maturity of the Portfolio was 1.57 percent compared to the Barclays Aggregate of 1.12 percent. Corporate equities, international equities, and related mutual funds invested in equities are also not classified by interest rate risk.

Fair Value Measurements – The Pension Trust Fund 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. Level 3 inputs are significant unobservable inputs.

As of December 31, 2020, the Pension Trust Fund had the following recurring fair value measurements (dollars in thousands):

Investment	Fair Value Measurement Using			Fair Value
	Level 1	Level 2	Level 3	
U.S. treasury bonds	54,637	—	—	54,637
Asset-backed securities	—	13,167	—	13,167
U.S. government agencies	—	41,742	—	41,742
Commercial mortgage-backed securities	—	13,371	—	13,371
Futures contracts	—	(46)	—	(46)
Corporate bonds	—	134,945	—	134,945
Collateralized mortgage obligations	—	16,072	—	16,072
Corporate equities	761,488	—	—	761,488
International equities	182,325	—	740	183,065
Preferred stock	—	230	—	230
Total investments measured at fair value	\$ 998,450	\$ 219,481	\$ 740	\$ 1,218,671

The U.S. treasury bonds, corporate equities, and international equities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

The investments in asset-backed securities, U.S. government agencies, commercial mortgage-backed securities, futures contracts, corporate bonds, collateralized mortgage obligations, and preferred stock classified as Level 2 on 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 international equities classified as level 3 on the fair value hierarchy are valued using ICE Data Services.

Foreign Currency Risk – At December 31, 2020, \$183,065,000, or 15.0 percent of Retirement Plan investment assets, had exposure of foreign currency risk through investments in foreign companies. The international equities by related currency (in thousands of dollars) are as follows:

Investment	Amount
Australian dollar	\$ 11,747
British pound	82,104
Canadian dollar	6,280
Swiss Franc	7,260
Euro	5,343
U.S. dollars invested in mutual funds with only international holdings*	70,331
Total	\$ 183,065

**U.S. dollars invested in mutual funds with only international holdings do not expose the County to foreign currency risk.*

Pension Trust Funds Custodial Credit Risk: Deposits – Custodial credit risk for deposits is the risk that in the event of a bank failure, the Pension Trust Fund may not be able to recover its deposits.

Derivative Instruments – The Pension Trust Fund has invested in several futures contracts which qualify as derivative financial instruments. The futures contracts are considered investment derivative instruments.

These futures contracts are exchange-traded securities to buy or sell United States treasuries at a future date (March 2021, in the case of these contracts) for a specific price. These futures contracts obligate the Plan to purchase United States treasury notes with a notional amount of \$3,228,064 on the maturity date in March 2021, while the Pension Trust Fund also has futures contracts obligating it to sell United States treasury notes with a notional amount of \$17,015,676 on the maturity date in March 2021. These contracts had no significant value when entered into during 2020, and the change in the fair value is a decrease of \$45,570 resulting in a net fair value balance of these contracts on December 31, 2020, of \$13,787,613.

The fair values of the futures contracts were estimated using market rates at year-end for similarly traded contracts and, in order to limit credit risk, these contracts were entered into with national financial institutions with high credit quality. Interest rate risk is minimized due to the relatively short maturity date of these contracts as they mature in March 2021.

Securities Lending – State statutes and management committee policies permit the Pension Trust Fund to lend its securities to broker dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Pension Trust Fund’s custodians lend securities of the type on loan at year-end for collateral in the form of cash or other securities of 102 percent. The cash collateral is available to the Plan for investment without default.

Cash collateral is invested in overnight investments. At year-end, the Plan had no significant credit risk exposure to borrowers because the amounts the Pension Trust Fund owed the borrowers exceeded the amounts the borrowers owed the Pension Trust Fund. The contract with the Pension Trust Fund’s custodian requires it to indemnify the Pension Trust Fund if the borrowers fail to return the securities and if the collateral is inadequate to replace the securities loaned or fail to pay the Pension Trust Fund for income distributions by the securities’ issuers while the securities are on loan.

There were no significant borrower or lending agent default losses or recoveries of prior period losses during the year. There are no income distributions owing on the securities loaned. The Pension Trust Fund records the cash received as collateral under securities lending agreements and the investments purchased with that cash as securities lending short term collateral investment pool with a corresponding amount recorded as a liability.

Other Post-Employment Benefits Trust Fund Investments

As of December 31, 2020, the OPEB Trust Fund had \$177,267,000 invested in the following types of investments (dollars in thousands) as categorized by credit risk:

Investment	Fair Value	Credit Quality
U.S. treasury bonds	\$ 1,449	AA
U.S. treasury bonds	6,498	—
Asset-backed securities	526	AAA
Asset-backed securities	300	AA
Asset-backed securities	111	A
Asset-backed securities	552	BBB
Asset-backed securities	426	—
U.S. government agencies	5,507	AA
U.S. government agencies	565	—
Commercial mortgage-backed securities	744	AAA
Commercial mortgage-backed securities	242	AA
Commercial mortgage-backed securities	65	A
Commercial mortgage-backed securities	894	—
Futures contracts	(7)	—
Corporate bonds	838	AAA
Corporate bonds	1,498	AA
Corporate bonds	4,319	A
Corporate bonds	8,951	BBB
Corporate bonds	82	BB
Corporate bonds	3,941	—
Collateralized mortgage obligations	21	AAA
Collateralized mortgage obligations	1,966	AA
Collateralized mortgage obligations	351	—
Corporate equities	110,766	—
International equities	26,629	—
Preferred stock	10	A
Preferred stock	2	BBB
Preferred stock	21	BB
Total	\$ 177,267	

Credit Risk – It is the OPEB Trust Fund’s policy to limit investments in common or preferred stock of a corporation to those corporations listed on one or more of the recognized national stock exchanges in the United States of America, or those traded on the NASDAQ National Market. The policy also limits stock investments to not more than 5 percent of the assets of any fund in common or preferred stock of any one issuing corporation. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody’s, S&P, or Fitch. U.S. government treasuries and agency bonds are not classified by credit quality. Corporate equities, international equities, and related mutual funds invested in equities are also not classified by credit quality.

On December 31, 2020, the OPEB Trust Fund did not have debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented more than 5 percent of plan net position.

On December 31, 2020, the OPEB Trust Fund had \$177,267,000 invested in the following investments as categorized by interest rate risk (dollars in thousands):

Investment	Fair Value	Weighted Average Maturity (Years)
U.S. treasury bonds	\$ 7,947	15.20
Asset-backed securities	1,915	5.77
U.S. government agencies	6,072	17.98
Commercial mortgage-backed securities	1,945	29.45
Futures contracts	(7)	0.23
Corporate bonds	19,629	14.93
Collateralized mortgage obligations	2,338	19.29
Corporate equities	110,766	—
International equities	26,629	—
Preferred stock	33	31.01
Total investments measured at fair value	\$ 177,267	

Interest Rate Risk – The OPEB Trust Fund investment policy adopts the following asset mix to achieve the lowest level of risk for the plan: Equity Securities between 50 percent and 75 percent at fair value, and Fixed Income Securities between 25 percent and 50 percent and between 0 percent and 5 percent in Alternative Investments. Fixed Income Securities are indexed to Barclays Capital U.S. Aggregate. As of December 31, 2020, the Fixed Income Assets had an effective duration of 6.27 years compared to the Barclays Capital U.S. Aggregate of 6.27 years. The weighted average yield to maturity of the Portfolio was 1.57 percent compared to the Barclays Aggregate of 1.12 percent. Corporate equities, international equities, and related mutual funds invested in equities are also not classified by interest rate risk.

Fair Value Measurements – The OPEB Trust Fund 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. Level 3 inputs are significant unobservable inputs.

As of December 31, 2020, the OPEB Trust Fund had the following recurring fair value measurements (dollars in thousands):

Investment	Fair Value Measurement Using			Fair Value
	Level 1	Level 2	Level 3	
U.S. treasury bonds	7,947	—	—	7,947
Asset-backed securities	—	1,915	—	1,915
U.S. government agencies	—	6,072	—	6,072
Commercial mortgage-backed securities	—	1,945	—	1,945
Futures contracts	—	(7)	—	(7)
Corporate bonds	—	19,629	—	19,629
Collateralized mortgage obligations	—	2,338	—	2,338
Corporate equities	110,766	—	—	110,766
International equities	26,521	—	108	26,629
Preferred stock	—	33	—	33
Total investments measured at fair value	\$ 145,234	\$ 31,925	\$ 108	\$ 177,267

The U.S. treasury bonds, corporate equities, and international equities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

The investments in asset-backed securities, U.S. government agencies, commercial mortgage-backed securities, futures contracts, corporate bonds, collateralized mortgage obligations, and preferred stock classified as Level 2 on 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 international equities classified as level 3 on the fair value hierarchy are valued using ICE Data Services.

Foreign Currency Risk – At December 31, 2020, \$26,629,000, or 15.0 percent of OPEB Plan investment assets, had exposure of foreign currency risk through investments in foreign companies. The international equities by related currency (in thousands of dollars) are as follows:

Investment	Amount
Australian dollar	\$ 1,709
British pound	11,943
Canadian dollar	913
Swiss Franc	1,056
Euro	777
U.S. dollars invested in a mutual fund with only international holdings*	10,231
Total	\$ 26,629

*U.S. dollars invested in a mutual fund with only international holdings do not expose the County to foreign currency risk.

OPEB Trust Funds Custodial Credit Risk: Deposits – Custodial credit risk for deposits is the risk that in the event of a bank failure, the OPEB Trust Fund may not be able to recover its deposits.

Derivative Instruments – The OPEB Trust Fund has invested in several futures contracts which qualify as derivative financial instruments. The futures contracts are considered investment derivative instruments.

These futures contracts are exchange-traded securities to buy or sell United States treasuries at a future date (March 2021, in the case of these contracts) for a specific price. These futures contracts obligate the Plan to purchase United States treasury notes with a notional amount of \$469,553 on the maturity date in March 2021, while the Pension Trust Fund also has futures contracts obligating it to sell United States treasury notes with a notional amount of \$2,475,097 on the maturity date in March 2021. These contracts had no significant value when entered into during 2020, and the change in the fair value is a decrease of \$6,629 resulting in a net fair value balance of these contracts on December 31, 2020, of \$2,005,543.

The fair values of the futures contracts were estimated using market rates at year-end for similarly traded contracts and, in order to limit credit risk, these contracts were entered into with national financial institutions with high credit quality. Interest rate risk is minimized due to the relatively short maturity date of these contracts as they mature in March 2021.

Securities Lending – State statutes and management committee policies permit the OPEB Trust Fund to lend its securities to broker dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The OPEB Trust Fund’s custodians lend securities of the type on loan at year end for collateral in the form of cash or other securities of 102 percent. The cash collateral is available to the OPEB Trust Fund for investment without default.

Cash collateral is invested in overnight investments. At year end, the OPEB Trust Fund had no significant credit risk exposure to borrowers because the amounts the OPEB Trust Fund owed the borrowers exceeded the amounts the borrowers owed the OPEB Trust Fund. The contract with the OPEB Trust Fund’s custodian requires it to indemnify the OPEB Trust Fund if the borrowers fail to return the securities and if the collateral is inadequate to replace the securities loaned or fail to pay the OPEB Trust Fund for income distributions by the securities’ issuers while the securities are on loan.

There were no significant borrower or lending agent default losses or recoveries of prior period losses during the year. There are no income distributions owing on the securities loaned. The OPEB Trust Fund records the cash received as collateral under securities lending agreements and the investments purchased with that cash as securities lending short term collateral investment pool with a corresponding amount recorded as a liability.



NOTE 4.

Property Taxes

The County's property taxes were levied on the assessed values of real and personal property located in the county. The assessed value at January 1, 2020, upon which the 2020 levy was based, was the taxable assessed value of \$35,135,384,393 (40 percent of the estimated actual taxable value of \$87,838,460,983).

The County's 2020 millage rate of 14.71 mills includes a rate of 6.95 mills for general purposes, 0.36 mills for Development and Enforcement Services District*; 3.20 mills for Fire and Emergency Medical Services District*; 2.90 mills for Police Services District*; 1.00 mills for the Recreation District and 0.30 for Economic Development**.

Property taxes for fiscal year 2020 were due in a single installment on December 1.

Levy date	January 1, 2020
Tax bills mailed by	September 2, 2020
Payment due date	December 1, 2020
Delinquency date	December 2, 2020
Approximate lien date	March 31, 2021

* County service district funds were created in 2013. Millage rates are based on the location of the property and the services provided.

** Economic Development fund was created in 2020 to assist in collecting resources and providing financial assistance to the Development Authority of Gwinnett County. The fund is supported by the new mill rate of 0.30.

NOTE 5.

Allowances For Uncollectible Receivables

Allowances for uncollectible receivables at December 31, 2020, were as follows (in thousands of dollars):

Taxes receivable:

General Fund	\$	1,730
Fire and EMS District		786
Development and Enforcement Services District		54
Police Services District		513
Other Governmental Funds		357
	\$	<u>3,440</u>

Accounts receivable:

Fire and EMS District	\$	4,791
Water and Sewerage Fund		1,801
Stormwater Fund		269
Other Enterprise Funds		155
	\$	<u>7,016</u>

NOTE 6.

Due from/to Other Governments

The total amount due from other governments as of December 31, 2020, is \$92,238,000. A total of \$47,226,000 is due from the state of Georgia for insurance premium tax collected by the state in 2020 but not yet paid to the County. This amount was estimated using the amount received for 2020 and adjusting it for projected population growth or decline. A total of \$21,269,000 is due from the state for sales tax. The majority of the remaining \$23,743,000 is due from various grant agencies.

The total amount due to other governments as of December 31 2020, is \$87,000 due to the cities for E-911 expenditures.

Due from Component Unit

Due from component unit represents amounts paid to the Gwinnett County Development Authority for an intergovernmental economic development contract to fund a long-term loan to the Rowen Knowledge Community. The total amount due from the Development Authority as of December 31, 2020, is \$70,238,000.

NOTE 7.

Capital Assets

The County's capital asset activity for the year ended December 31, 2020, was as follows (in thousands of dollars):

Primary Government

	Balance January 1, 2020	Increases	Decreases	Balance December 31, 2020
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 714,742	13,503	6,227	722,018
Construction in progress	137,438	212,966	122,524	227,880
Total capital assets, not being depreciated	852,180	226,469	128,751	949,898
Capital assets, being depreciated:				
Land Improvements	575,104	43,396	—	618,500
Buildings	887,543	12,128	1,887	897,784
Equipment	226,776	12,949	14,049	225,676
Vehicles	128,904	7,831	7,368	129,367
Infrastructure	1,210,038	43,327	—	1,253,365
Total capital assets, being depreciated	3,028,365	119,631	23,304	3,124,692
Less accumulated depreciation for:				
Land Improvements	220,260	20,983	—	241,243
Buildings	291,761	21,232	755	312,238
Equipment	185,148	9,448	13,030	181,566
Vehicles	83,702	14,059	7,194	90,567
Infrastructure	461,618	29,165	—	490,783
Total accumulated depreciation	1,242,489	94,887	20,979	1,316,397
Total capital assets, being depreciated, net	1,785,876	24,744	2,325	1,808,295
Governmental-type activities capital assets, net	\$ 2,638,056	251,213	131,076	2,758,193

Depreciation expense was charged to functions of the primary government as follows for governmental activities (in thousands of dollars):

Governmental Activities:

General government	\$	10,293
Public safety		19,025
Judiciary		4,920
Public works		37,435
Health and Welfare		458
Culture and recreation		22,080
Housing and development		684
Total depreciation expense – governmental activities	\$	94,895
Transfer of assets to business activities		(8)
Total increase in accumulated depreciation	\$	94,887

	Balance January 1, 2020	Increases	Decreases	Balance December 31, 2020
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 79,249	354	–	79,603
Construction in progress	328,474	190,724	237,349	281,849
Total capital assets, not being depreciated	407,723	191,078	237,349	361,452
Capital assets, being depreciated:				
Buildings	872,764	15,186	–	887,950
Improvements	3,593,295	194,604	7,789	3,780,110
Equipment	659,454	63,715	11,352	711,817
Vehicles	52,158	6,139	1,096	57,201
Infrastructure	7,652	94	–	7,746
Total capital assets, being depreciated	5,185,323	279,738	20,237	5,444,824
Less accumulated depreciation for:				
Buildings	265,175	20,971	–	286,146
Improvements	890,883	51,683	5,286	937,280
Equipment	404,129	28,042	11,349	420,822
Vehicles	32,306	4,308	1,098	35,516
Infrastructure	1,801	303	–	2,104
Total accumulated depreciation	1,594,294	105,307	17,733	1,681,868
Total capital assets, being depreciated, net	3,591,029	174,431	2,504	3,762,956
Business-type activities capital assets, net	\$ 3,998,752	365,509	239,853	4,124,408

Depreciation expense was charged to programs of the primary government as follows for business-type activities (in thousands of dollars):

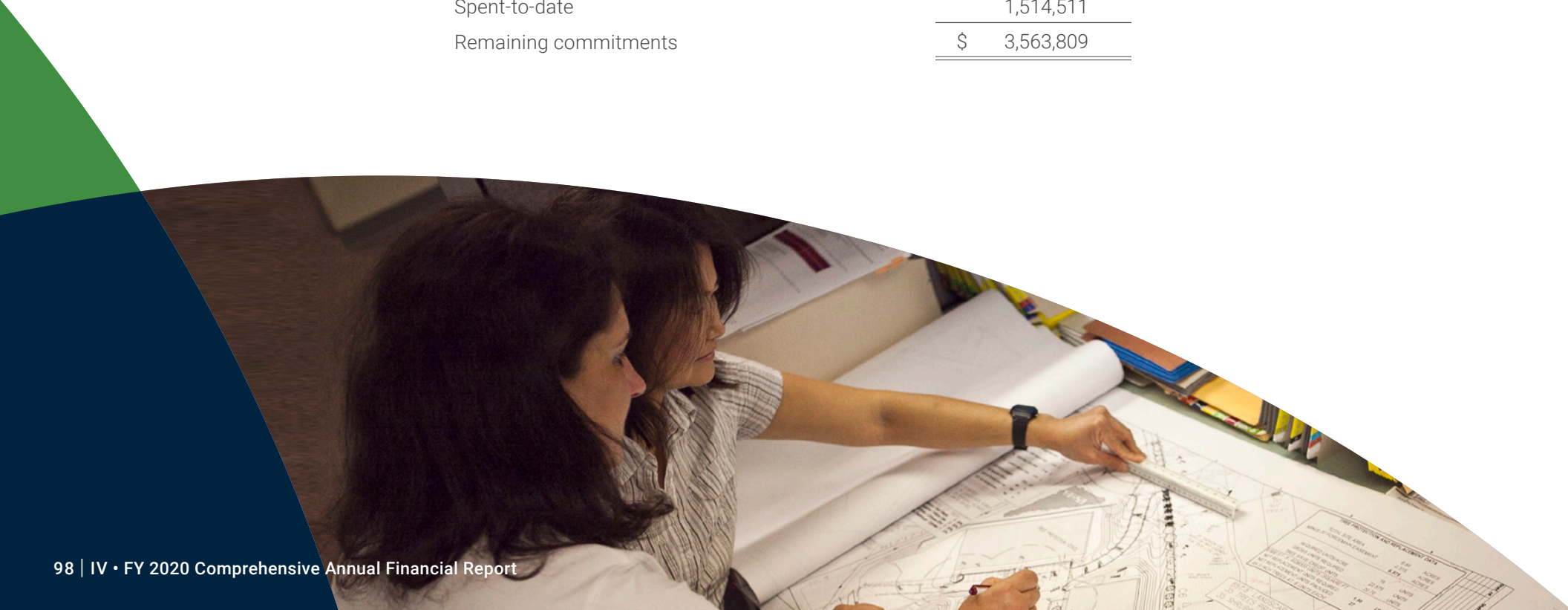
Business-Type Activities:

Water and sewer	\$	90,830
Airport		508
Solid waste		6
Stormwater		10,558
Transit		3,397
Total depreciation expense – business-type activities	\$	<u>105,299</u>
Transfer of capital assets from governmental activities		8
Total increase in accumulated depreciation	\$	<u><u>105,307</u></u>

Construction and Other Commitments

The County has active construction projects and other commitments as of December 31, 2020. At year-end the County’s commitments with contractors were as follows (in thousands of dollars):

Contract value	\$	5,078,320
Spent-to-date		<u>1,514,511</u>
Remaining commitments	\$	<u><u>3,563,809</u></u>



NOTE 8.

Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended December 31, 2020 (in thousands of dollars):

Governmental Activities:	January 1, 2020	Additions	Retirements	December 31, 2020	Amounts due within one year
Revenue bonds:					
Tax allocation district revenue bonds	\$ —	38,485	—	38,485	—
Less: amounts for issuance discount	—	(587)	18	(569)	—
Total revenue bonds payable	—	37,898	18	37,916	—
Economic development contract	—	67,685	—	67,685	2,805
Lease payable	137,934	55,464	(43,275)	150,123	6,915
Accumulated leave benefits	28,309	20,876	(16,544)	32,641	21,719
Estimated claims payable	15,400	36,708	(39,091)	13,017	6,926
Net pension liability	253,301	—	(66,406)	186,895	—
Net OPEB liability	54,518	—	(20,188)	34,330	—
Total governmental activity long-term liabilities	\$ 489,462	218,631	(185,486)	522,607	38,365
Business-Type Activities:					
Revenue bonds:					
Water and sewer:					
2011 water and sewer refunding bonds	\$ 93,265	—	(13,725)	79,540	14,410
2015 water and sewer refunding bonds*	24,815	—	(8,165)	16,650	8,280
2016A water and sewer refunding bonds*	132,465	—	(13,750)	118,715	13,985
2016 water and sewer refunding bonds*	92,675	—	(9,710)	82,965	9,975
2019 water and sewer refunding bonds	128,540	—	(9,980)	118,560	10,760
2020 water and sewer construction bonds	—	176,895	—	176,895	3,370
Total water and sewer bonds before discounts and premiums	471,760	176,895	(55,330)	593,325	60,780
Add: amounts for issuance premiums	28,588	14,506	(5,241)	37,853	—
Total water and sewer bonds payable	500,348	191,401	(60,571)	631,178	60,780
2018 Urban Redevelopment Agency revenue bonds	33,805	—	(1,290)	32,515	1,330
Total revenue bonds payable	534,153	191,401	(61,861)	663,693	62,110
Notes payable	34,316	—	(2,964)	31,352	3,054
Accumulated leave benefits	4,102	2,857	(2,082)	4,877	2,926
Net pension liability	35,738	—	(9,316)	26,422	—
Net OPEB liability	7,803	—	(2,929)	4,874	—
Total business-type activity long-term liabilities	\$ 616,112	194,258	(79,152)	731,218	68,090

*Direct placement bonds

Governmental Activities

Tax Allocation District Bonds

The County issues revenue bonds to finance infrastructure and other redevelopment costs within a specifically defined area called a tax allocation district. The County pledges revenues derived from tax increments to pay the related debt service. During 2020, the County issued tax allocation revenue bonds to fund The Exchange at Gwinnett redevelopment project. The bonds were issued June 11, 2020 in the amount of \$38,485,000 with an original issue discount of \$586,511 and a true interest cost of 6.94 percent. The Series 2020 Tax Allocation District Revenue Bonds are limited obligations of the County, secured solely from the pledged tax increment revenues of The Exchange at Gwinnett Tax Allocation District. The County has no obligation to pay this debt service beyond the pledged tax increment revenues generated by the tax allocation increments. Interest payments for the first three years were prefunded from bond proceeds and will not be paid from tax increment revenues.

Tax Allocation District revenue bonds outstanding as of December 31, 2020, were as follows (in thousands of dollars):

	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Cumulatively Retired	Outstanding
2020 Tax Allocation District	6.50	1/1 – 7/1	6/11/20	7/1/45	38,485	—	38,485
					\$ 38,485	\$ —	\$ 38,485

Debt Margin

State statutes limit the amount of general obligation debt a government entity may issue to 10 percent of its total assessed valuation. The statutory limit at December 31, 2020 was \$3,513,538,000. The County has no general obligation bond debt outstanding as of December 31, 2020 and has used none of its legal debt limitation of \$3,513,538,000.

Economic Development Contract

The County has entered into an Economic Development Contract with the Development Authority for an economic development project which is funded by the Authority's bonds. The project will finance the Rowen knowledge community through loans from the Development Authority to the Rowen foundation. The County is absolutely and unconditionally obligated under the terms of the intergovernmental contract relating to these bonds. As a result, the County reports an economic development contract obligation to component units, and the Development Authority reports an economic development contract receivable from the primary government in an amount, and with future requirements, equal to the Development Authority bonds.

Lease Payable

The County has entered into a lease with the Development Authority for capital projects which are funded by the Authority's Bonds. These projects are for the expansion of the Gwinnett Civic and Cultural Center (the "Center") funded by the Authority's 2001 Bonds (as refunded by the Authority's 2010 and 2020 Bonds), the Gwinnett Center Parking Deck Project (the "Parking Deck") funded by the Authority's 2007 Bonds (as refunded by the Authority's 2020 Bonds), the Gwinnett Stadium Project (the "Stadium") funded by the Authority's 2008 Bonds (as refunded by the Authority's 2017 Bonds), and the Gwinnett Center Expansion and Parking Deck Project ("GC Expansion") funded by the Authority's 2018 Bonds. The County is absolutely and unconditionally obligated under the terms of the intergovernmental contract relating to these bonds. As a result, the County reports a capital lease obligation to component units, and the Development Authority reports a lease receivable from the primary government in an amount, and with future requirements, equal to the Development Authority bonds.

At December 31, 2020, proceeds from the issuance of the 2018 Bonds in the amount of \$15,813,094 and proceeds of the 2020 bonds in the amount of \$75,000,000 had not been expended by the Authority, therefore there is no receivable from the County for this amount. As the bond proceeds are expended, the Development Authority's receivable and the County's capital lease obligation will increase and equal the bonds payable.

The value of assets acquired under capital leases by major asset class is as follows (in thousands of dollars):

	Cost	Accumulated Depreciation	Book Value
Assets under construction	\$ 8,244	\$ —	\$ 8,244
Land	5,000	—	5,000
Site improvements	34,544	(7,471)	27,073
Buildings	205,038	(53,290)	151,748
Equipment	4,531	(2,999)	1,532

For governmental funds, accumulated leave benefits, the net pension liability, and the net OPEB liability are liquidated by the General, Street Lighting, Crime Victims Assistance, Fire and EMS District, Development and Enforcement Services District, Police Services District, Sales Tax, Recreation District, E-911, and Grants Funds. Estimated claims payable is liquidated by the Group Self-Insurance, Risk Management, and Auto Liability internal service funds.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$4,433,000 of internal service fund accumulated leave benefits, \$13,017,000 of internal service fund claims payable, \$14,510,000 of internal service fund net pension liability, and \$4,139,000 of internal service fund net OPEB liability were included in the preceding table.

Business-Type Activities

For business-type activities, accumulated leave benefits, the net pension liability, and the net OPEB liability are liquidated by the Water and Sewerage, Airport, Stormwater, Solid Waste, and Transit Funds.

Revenue Bonds

The County also issues bonds where the County pledges income derived from the acquired or constructed assets to pay debt service. The revenue bonds are related to proprietary activity and are reported in the enterprise funds, as they are expected to be repaid from enterprise funds revenues.

Water and Sewerage Bonds

The County is obligated through an intergovernmental agreement for \$593,325,000 in Water and Sewerage Authority Revenue Bonds. Debt Service on these revenue bonds is paid as lease payments from water and sewerage customer charges. The County has pledged future water customer revenues, net of specified operating expenses, to repay water and sewer revenue bonds. The bonds are payable from water customer net revenues through August 1, 2050.

In conformity with GAAP, as set forth in Statement No. 88 of the Governmental Accounting Standards Board, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements," information about direct placement bonds are presented separate from other debt in the table on the next page.

The various bond indentures 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 (net revenue must be 1.2 times annual debt service). Management believes the Authority is in compliance with all such significant financial limitations and restrictions. If these requirements are not met, the bondholders may declare principal and interest accrued to be immediately due.

Water and Sewerage revenue bonds outstanding as of December 31, 2020, were as follows (in thousands of dollars):

	Interest Rate %	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Cumulatively Retired	Outstanding
Business-Type							
2011 Water and Sewerage Refunding	2.0 – 5.0	2/1 – 8/1	7/1/11	8/1/25	\$ 163,615	84,075	79,540
2015 Water and Sewerage Refunding*	1.74	2/1 – 8/1	8/3/15	8/1/22	127,215	110,565	16,650
2016A Water and Sewerage Refunding*	1.69	2/1 – 8/1	5/19/16	8/1/28	145,990	27,275	118,715
2016 Water and Sewerage Refunding*	2.36	2/1 – 8/1	8/1/16	8/1/25	108,860	25,895	82,965
2019 Water and Sewerage Refunding	5.0	2/1 – 8/1	9/26/19	8/1/29	128,540	9,980	118,560
2020 Water and Sewerage Construction	1.79	2/1 – 8/1	12/29/20	8/1/50	176,895	–	176,895
					<u>\$ 851,115</u>	<u>\$ 257,790</u>	<u>593,325</u>
							<u>37,853</u>
							<u>\$ 631,178</u>
							Premiums
							Net Business-Type Bonds Outstanding

* Direct placement bonds

In October 2020, the Gwinnett Water and Sewerage Authority and the Board of Commissioners, respectively, approved resolutions authorizing the issuance and sale of the Series 2020 Revenue Bonds to finance certain improvements and extensions to the water and sewerage system over the next three years. The bonds were awarded to JP Morgan, LLC as they offered the lowest true interest rate. The bonds were issued December 29, 2020 at a par amount of \$176,895,000 with a \$14,505,450 premium and a true interest cost of 1.79 percent.

Also in the October 2020 resolutions, the Gwinnett Water and Sewerage Authority and the Board of Commissioners, respectively, approved issuance of approximately \$142 million in revenue bonds in 2023.

Advance Refunding of Water and Sewerage Revenue Bonds

In 2005, the County advance refunded that portion of the Series 1997 Water and Sewerage Revenue Bonds maturing on and after August 1, 2011, in the aggregate principal amount of \$97,200,000; that portion of the Series 1998 Bonds maturing on and after August 1, 2009, in the aggregate principal amount of \$102,380,000; and that portion of the Series 1999 Bonds maturing on and after August 1, 2011, in the aggregate amount of \$50,000,000. The net proceeds of \$259,600,000 from the 2005 Water and Sewerage Refunding Bonds were deposited in irrevocable trusts with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of \$16,085,880 and a net present value savings (or economic gain) of \$13,543,952. The refunded bonds are considered defeased. At December 31, 2020, \$18,425,000 of outstanding revenue bonds were considered defeased.

In 2006, the County advance refunded that portion of the Series 2002 Water and Sewerage Revenue Bonds maturing on and after August 1, 2013, in the aggregate principal amount of \$116,500,000. With an original principal amount of \$121,375,000, net proceeds of \$114,945,000 were deposited in irrevocable trusts with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of \$7,687,038 and a net present value savings (or economic gain) of \$4,858,834. The refunded bonds are considered defeased. At December 31, 2020, \$84,815,000 of outstanding revenue bonds were considered defeased.

In 2011, the County advance refunded that portion of the Series 2003B Water and Sewerage Revenue Bonds maturing on and after August 1, 2013, in the aggregate principal amount of \$170,360,000. With an original principal amount of \$163,615,000, net proceeds of \$188,873,037 were deposited in irrevocable trusts with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a true-interest cost of 2.92 percent, a decrease in future debt service payments of \$10.8 million, and a net present value savings (or economic gain) of approximately \$9.43 million. The refunded bonds are considered defeased. At December 31, 2020, \$82,615,000 of outstanding 2003B revenue bonds were considered defeased.

In July 2019, the Gwinnett Water and Sewerage Authority and the Board of Commissioners, respectively, approved resolutions allowing the authority to move forward with refunding the callable maturities of the 2009A and 2009B Water and Sewerage Revenue Bonds. The agenda item was awarded to JP Morgan Securities, LLC as they offered the lowest true interest rate of 1.51 percent, a decrease in future debt service payments of \$23.1 million, and a net present value savings (or economic gain) of \$18.2 million. These 2019 refunding bonds had a principal amount of \$128,540,000, and the date of issuance for these bonds was September 26, 2019. The 2009A and 2009B bonds were retired.

Advance Refunding of Debt (Direct Placement)

In September and October 2014, the Gwinnett Water and Sewerage Authority and the Gwinnett Board of Commissioners approved resolutions allowing the authority to move forward with refunding the callable maturities of the 2005 Water and Sewerage Revenue Bonds on a forward/delayed delivery basis. The agenda item awarded the transaction to Citigroup (as the placement agent)/JP Morgan Chase (as the purchaser of these bonds). The date of issuance for these privately placed bonds was August 3, 2015. The interest rate was set at 1.74 percent. The result of this transaction is a decrease in future debt service payments of \$9.8 million and a net present value savings (or economic gain) of \$9.2 million. The debt service savings began in 2016.

In November and December 2014, the Gwinnett Water and Sewerage Authority and the Board of Commissioners, respectively, approved resolutions allowing the authority to move forward with refunding the callable maturities of the 2006 Water and Sewerage Revenue Bonds on a forward/delayed delivery basis. The agenda item was awarded to Wells Fargo as they offered the lowest true interest rate of 2.36 percent, a decrease in future debt service payments of \$14.7 million, and a net present value savings (or economic gain) of \$13.2 million. These privately placed 2016 refunding bonds had a principal amount of \$108,860,000, and the date of issuance for these bonds was August 1, 2016. The 2006 bonds were retired. The debt service savings began in 2017.

In March 2016, the Gwinnett County Water and Sewerage Authority and the Gwinnett County Board of Commissioners approved resolutions allowing the authority to move forward with a direct purchase of the callable maturities (2019 – 2028) of the 2008 Water and Sewerage Authority Revenue Bonds. The bonds were awarded to Wells Fargo as they offered the lowest advance refunding true interest rate of 1.69 percent, a decrease in future debt service payments of \$21.5 million, and a net present value savings (or economic gain) of \$18.5 million. These privately placed 2016A refunding bonds were issued May 19, 2016 with an original principal amount of \$145,990,000. The debt service savings began in 2016. Net proceeds of \$147,248,778 were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The refunded bonds are considered defeased. During 2018, all of the 2008 defeased bonds were called and retired.

Urban Redevelopment Agency

On December 18, 2018, the Urban Redevelopment Agency issued \$35,435,000 in Series 2018 bonds bearing interest rates ranging from 2.94 percent to 4.15 percent. The bond proceeds were used to purchase property consisting of land and buildings which are being held by the Agency with the intention of future redevelopment of the property and are not held primarily for the purpose of income or profit. The County is absolutely and unconditionally obligated under the terms of an intergovernmental contract for the debt service payments on the Urban Redevelopment Agency bonds.

Urban Redevelopment Agency revenue bonds outstanding as of December 31, 2020, were as follows (in thousands of dollars):

	Interest Rate %	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Cumulatively Retired	Outstanding
2018 Urban Redevelopment Agency Revenue Bonds	2.94 – 4.15	3/1 – 9/1	12/18/2018	9/1/2038	35,435	2,920	32,515
					\$ 35,435	\$ 2,920	\$ 32,515

The annual requirements to amortize revenue bonds payable as of December 31, 2020, excluding net unamortized bond premiums and discounts of \$37,284,000, were as follows (in thousands of dollars):

Year Ended December	Governmental Activities		Business-Type Revenue Bonds						Total
	Tax Allocation District Revenue Bonds		Revenue Bonds				Direct Placement Revenue Bonds		
			Urban Redevelopment Agency		Water and Sewerage		Water and Sewerage		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2021	—	2,640	1,330	1,219	28,540	12,805	32,240	4,254	83,028
2022	—	2,502	1,370	1,179	29,900	13,441	32,850	3,638	84,880
2023	—	2,502	1,410	1,137	31,405	11,946	34,885	3,010	86,295
2024	—	2,502	1,455	1,093	32,975	10,376	35,610	2,284	86,295
2025	225	2,502	1,500	1,047	34,620	8,727	36,355	1,542	86,518
2026 – 2030	5,220	11,863	8,345	4,399	82,585	25,600	46,390	1,577	185,979
2031 – 2035	7,780	9,789	10,050	2,688	28,795	12,656	—	—	71,758
2036 – 2040	10,660	6,911	7,055	591	32,100	9,352	—	—	66,669
2041 – 2045	14,600	2,966	—	—	35,165	6,296	—	—	59,027
2046 – 2050	—	—	—	—	38,910	2,545	—	—	41,455
Total	\$ 38,485	\$ 44,177	\$ 32,515	\$ 13,353	\$ 374,995	\$ 113,744	\$ 218,330	\$ 16,305	\$ 851,904

The amortization expense for fiscal year 2020 is included in depreciation expense.

Notes Payable

The enterprise funds have several Georgia Environmental Finance Authority loans for the construction and acquisition of buildings and equipment. Notes payable outstanding as of December 31, 2020, were as follows (in thousands of dollars):

Enterprise Funds	Interest Rates %	Interest Dates	Maturity Dates	Notes Payable January 1, 2020	Additions	Retirements	Notes Payable December 31, 2020
GEFA (CW4005PA)	3.00	Monthly	11/1/28	\$ 29,413	\$ —	\$ (2,606)	\$ 26,807
GEFA (CW03-002NP)	3.00	Monthly	4/1/31	3,470	—	(261)	3,209
GEFA (09-055)	3.00	Monthly	6/1/32	1,432	—	(96)	1,336
				\$ 34,315	\$ —	\$ (2,963)	\$ 31,352

The annual requirements to pay the notes outstanding at December 31, 2020, including interest of approximately \$4,567,000 were as follows (in thousands of dollars):

Year Ended December 31	Principal	Interest	Total
2021	3,054	899	3,953
2022	3,147	806	3,953
2023	3,243	710	3,953
2024	3,341	612	3,953
2025	3,443	510	3,953
2026 – 2030	14,475	1,020	15,495
2031 – 2032	649	10	659
Total	\$ 31,352	\$ 4,567	\$ 35,919

Operating Lease Commitments

The County leases certain equipment under operating leases. Rental expenses for all operating leases totaled \$5,152,644 for the year ended December 31, 2020. There were no significant future minimum rental payments, contingent rentals, or sublease rentals associated with leases in effect at December 31, 2020.

Component Unit Revenue Bonds – Development Authority

Component Unit	Interest Rate %	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Cumulatively Retired	Outstanding
2017 Stadium Refunding Bonds	2.00 – 3.50	1/1 – 7/1	1/26/17	1/1/38	29,785	2,270	27,515
2018 Gwinnett Center Expansion Bonds	3.21 – 4.19	3/1 – 9/1	8/7/18	9/1/48	95,710	–	95,710
2020 Georgia Research Park Bonds	1.35 – 2.20	6/1 – 12/1	9/30/20	12/1/40	67,685	–	67,685
2020A Refunding Bonds	0.18 – 1.45	3/1 – 9/1	10/6/20	9/1/31	39,165	–	39,165
2020B Gwinnett Center Projects	0.97 – 3.00	3/1 – 9/1	10/6/20	9/1/50	75,295	–	75,295
Subtotal					\$ 307,640	\$ 2,270	\$ 305,370
Premium							2,630
Total							<u>\$ 308,000</u>

The Development Authority (a discretely presented component unit) issued \$12 million in fixed-rate revenue bonds on July 31, 2007, to build a parking deck at the Gas South District (formerly the Gwinnett Center). On April 1, 2008, the Development Authority issued \$33 million in fixed-rate revenue bonds to build the baseball stadium, Coolray Field. In 2001, the Development Authority issued \$65 million in variable-rate revenue bonds to fund the construction of the Gas South District Arena, then later restructured those bonds to fixed-rate revenue bonds on November 9, 2010.

On January 26, 2017, the Authority issued \$29,785,000 in Series 2017 Revenue bonds to refund all but \$730,000 of the 2008 Stadium Bonds. Interest rates on the Series 2017 bonds range from 2.00 percent to 3.50 percent with annual maturities through 2038. The net proceeds from the Series 2017 Bonds were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of \$12,114,504 and present value savings, or economic gain, of \$8,290,352. The refunded bonds were called and repaid during 2018.

On August 7, 2018, the Authority issued \$95,710,000 in revenue bonds to finance the Gas South District (formerly the Gwinnett Center) Expansion and Parking Deck Project. The bonds bear interest rates ranging from 3.21 percent to 4.19 percent with annual maturities through 2048.

On September 30, 2020, the Authority issued \$67,685,000 in Series 2020 Revenue bonds to finance the Rowen Knowledge Community. Interest rates on the Series 2020 bonds range from 1.35 percent to 2.20 percent with annual maturities through 2040.

On October 6, 2020, the Authority issued \$39,165,000 in Series 2020A Revenue Bonds to refund the remaining maturities of the 2007 Parking Deck and 2010 Arena Bonds for the Gas South District. Interest rates on the Series 2020A Refunding Bonds range from 0.18 percent to 1.45 percent with annual maturities through 2031. The net proceeds from the Series 2020A Bonds were deposited in an irrevocable trust with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of \$8,938,453 and present value savings, or economic gain, of \$8,038,099. Also, on October 6, 2020, the Development Authority issued \$75,295,000 in variable-rate 2020B Revenue Bonds to fund expansion projects at the Gas South District. Interest rates on the 2020B Bonds range from 0.97 to 3.00 percent with annual maturities through 2050.

The estimated annual requirements to amortize the bonds payable as of December 31, 2020, were as follows (in thousands of dollars):

Development Authority Revenue Bonds Annual Requirements

Year Ended December 31	Principal	Interest	Total Debt Service
2021	9,720	7,715	17,435
2022	9,690	7,752	17,442
2023	9,850	7,591	17,441
2024	12,400	7,422	19,822
2025	12,655	7,177	19,832
2026 – 2030	64,800	32,018	96,818
2031 – 2035	57,100	25,017	82,117
2036 – 2040	57,590	17,197	74,787
2041 – 2045	38,440	9,709	48,149
2046 – 2050	33,125	2,672	35,797
Total	\$ 305,370	\$ 124,270	\$ 429,640

Conduit Debt

From time to time, the Development Authority, has issued Industrial Development Revenue Bonds to provide financial assistance to both private and public sector entities for the acquisition and construction of industrial and commercial facilities deemed to be of public interest. Neither the Development Authority, the County, state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds that are considered conduit debt. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. There are 28 series of industrial development bonds issued from January 1, 1996, to December 31, 2020, that have outstanding amounts. The total amount issued was \$1,014,520,849. The total amount of those bonds outstanding as of December 31, 2020, was \$786,129,130.

The aggregate principal amount outstanding for the 84 series issued prior to December 31, 1995, could not be determined; however, their original issue amounts totaled approximately \$231.5 million.

NOTE 9.

Interfund Balances and Transfers

There were no Interfund receivables and payables as of December 31, 2020, are as follows (in thousands of dollars):

DUE TO	DUE FROM	
	Non-major Enterprise	Total
General	\$ 8,587	\$ 8,587
Total	\$ 8,587	\$ 8,587

Interfund receivables and payables result from timing differences related to grants and other year-end transactions. These balances will clear within one year.

Interfund transfers for the year ended December 31, 2020, consisted of the following (in thousands of dollars):

TRANSFER TO	TRANSFER FROM									Total
	General	Fire and EMS District	Police Services District	Other Capital	CARES Act Grant	Non-major Governmental	Water and Sewerage	Non-major Enterprise	Internal Service Funds	
General	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 414	\$ 165	\$ —	\$ —	\$ 579
Fire and EMS District	—	—	—	—	508	11	—	—	—	\$ 519
Police Services District	—	—	—	—	—	2	—	—	—	\$ 2
Other Capital	64,111	10,055	14,277	—	—	7,846	—	—	1,284	\$ 97,573
Non-major Governmental	185	—	—	33,000	—	1,403	—	—	—	\$ 34,588
Non-major Enterprise	11,905	—	—	—	—	—	—	—	—	\$ 11,905
Water and Sewerage	—	—	—	—	—	22	—	—	—	\$ 22
Stormwater	—	—	—	—	—	—	—	131	—	\$ 131
Total	\$ 76,201	\$ 10,055	\$ 14,277	\$ 33,000	\$ 508	\$ 9,698	\$ 165	\$ 131	\$ 1,284	\$ 145,319

The majority of transfers from the General, Fire and EMS District, Police Services District, Other Capital, Non-major Governmental, Water and Sewerage, Non-major Enterprise and Internal Service Funds are to fund ongoing and planned capital projects and vehicle replacements. Other transfers made during 2020 were:

- The General Fund transferred funds to the Transit Enterprise Fund to cover operating deficits and to the Airport Enterprise Fund for sales taxes collected on aviation fuel.
- The CARES Act grant transferred funds to the Police Services District Fund to reimburse lost revenues due to the COVID-19 pandemic.
- The Economic Development Capital Fund transferred funds to the Tourism Fund to support the Gas South District capital projects.
- Non major governmental: The Exchange at Gwinnett TAD fund transferred funds to The Exchange at Gwinnett Debt Service Fund for debt service.

NOTE 10.

Risk Management

A. Liability, Property, and Workers' Compensation

It is the policy of the County not to purchase commercial insurance for various types of losses to which it is exposed. Instead, County management believes it is more economical to manage its risks by purchasing limited liability coverages and internally setting aside assets for claim settlement in its Risk Management, Workers' Compensation, and Auto Liability Funds, which are all internal service funds. The Risk Management Fund services claims for the County resulting from general liability, errors and omissions, law enforcement liability, physical damage to County vehicles, property risks, and cyber security. The Auto Liability Fund services claims for the County resulting from automobile liability risks. The Workers' Compensation Fund, which is included for reporting purposes in the Risk Management Fund, services claims for the County resulting from workers' compensation risks. All departments, agencies, and authorities of the County participate in these funds.

The Risk Management, Workers' Compensation, and Auto Liability Funds allocate the cost of providing claims service and claims payment by charging a "premium," which is an allocation to each department or agency. These charges, which consider recent trends in actual claims experience of the County as a whole, are accounted for as interfund services provided and used. The County self-funds up to \$2,000,000 for general liability, errors and omissions, and law enforcement liability, with excess coverage of \$20,000,000. The County fully self-funds the automobile liability exposure up to \$500,000 for bodily injury or death of any one person in any one occurrence with an annual aggregate of \$700,000 for bodily injury or death of two or more persons in any one occurrence and \$50,000 because of injury to, or destruction of, property in any one occurrence and relies on governmental immunity above these levels. The County purchases direct coverage for property and crime insurance with a limit of \$1,400,000,000 and \$2,000,000, respectively. These policies provide for a \$100,000 deductible on property damage and a \$10,000 deductible on fidelity claims.

In addition, the County purchases direct coverage for off-duty liability for police and sheriff with a limit of \$2,000,000 and reservists liability with a limit of \$1,000,000 for Sheriff; fiduciary liability with a limit of \$15,000,000; and aviation coverage for the airport and helicopters with limits of \$50,000,000 and \$20,000,000, respectively. The County is self-funded depending on the year from \$250,000 to \$1,000,000 per occurrence for workers' compensation. Amounts exceeding this are covered by an excess workers' compensation policy. The County has used the excess coverage policy only once in the last three years; settlement claims exceeded self-funded coverage in 2017. In 2019, the County purchased cyber liability insurance with a limit of \$10,000,000 and a \$100,000 deductible.

Between June 1, 2002, and December 31, 2007, the County joined together with other counties in the state as part of the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund Large Deductible Program. This is a public entity risk pool currently operating as a workers' compensation insurance program for member local governments. The Association County Commissioners of Georgia administers the workers' compensation pool. As part of the Group Self-Insurance Workers' Compensation Fund, the County is obligated to pay all claims, contributions, and assessments as prescribed by the pool to cooperate with the pool's agents and attorneys and finalize all of our claims as soon as possible. The County also allows the pool's agents and attorneys to represent the County in investigations, settlement discussions, and all levels of litigation out of any claim made against the County for workers' compensation within the scope of claims protection furnished by the fund.

The County is responsible to reimburse the fund for various deductibles of any claim between June 1, 2002, and December 31, 2007. Deductibles varied from \$250,000 to \$600,000 depending on the year. Amounts exceeding the various deductibles are covered by an excess workers' compensation policy. The fund is responsible to defend and protect members of the fund in accordance with workers' compensation law of Georgia. In 2008, the County was a part of the Association County Commissioners of Georgia Self-Insurance Workers' Compensation Fund Large Deductible Program due to open claims that occurred between June 1, 2002, and December 31, 2007. However, starting January 1, 2008, Gwinnett County left the Association County Commissioners of Georgia Self-Insurance Workers' Compensation Fund Large Deductible Program for any new claims and became independently self-insured. The County hired a third party administrator, Alternative Service Concepts, Inc., to handle claims. The County is responsible for the first \$1,000,000 of any claim and amounts exceeding the \$1,000,000 retention are covered by an excess workers' compensation policy.

Outstanding liabilities are reported when it is probable a loss has occurred and the amount of that loss may be reasonably estimated. Liabilities include an actuarially determined amount for claims that have been incurred but not reported. Actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards; therefore, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Liabilities may be discounted; that is, they will reflect potential investment income that is expected to be earned on the loss reserves until they are paid.

Changes in balances of claims liabilities for each of the two years in the two-year period ended December 31, 2020, were as follows:

Fiscal Year	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2020	\$ 11,954,000	\$ 4,047,000	\$ 7,483,000	\$ 8,518,000
2019	9,844,000	11,169,000	9,059,000	11,954,000

At December 31, 2020, the Risk Management Fund held \$12,192,000 in cash and cash equivalents and the Auto Liability Fund held \$3,256,000 in cash and cash equivalents available for payment of these claims.

B. Group Health Insurance

The County accounts for the risks associated with the employee's health insurance plan in the Group Self-Insurance Fund, an internal service fund where assets are set aside for claim settlements. The County maintains specific stop loss coverage in the amount of \$325,000 per covered individual to reduce the exposure from catastrophic claims. One third-party administrator is employed to process claims for the group insurance health program. The County has not experienced any significant decreases in insurance coverage.

Changes in balances of claims liabilities for the Group Self-Insurance Fund during 2020 and 2019 were as follows:

Fiscal Year	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2020	\$ 3,446,000	\$ 32,661,000	\$ 31,608,000	\$ 4,499,000
2019	3,825,000	25,683,000	26,062,000	3,446,000

2020 Claims for Active Employees:

In 2020, there were 2,014 active employees electing medical coverage under self-funded medical plans. The County pays approximately 86 percent of the actuarial projected cost for medical and hospitalization costs incurred by these eligible participants. Expenses by type for the year ended December 31, 2020, were as follows (in thousands of dollars):

2,014 Active Employees Electing Medical Coverage

Administrative Costs	\$	1,148
Stop Loss Insurance		1,941
Claims Experience		<u>31,608</u>
Total	\$	<u><u>34,697</u></u>

In 2020, there were 2,473 active employees electing medical coverage in the fully insured medical plans. The County pays approximately 91 percent of the actuarial projected cost for medical and hospitalization costs incurred by these eligible participants. Expenses for the year ended December 31, 2020, were as follows (in thousands of dollars):

2,473 Active Employees Electing Medical Coverage

Fully Insured Premium	\$	26,744
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NOTE 11.

Deferred Compensation Plan

The County maintains a Section 457(b) Deferred Compensation Plan administered by a third party. As a result, the assets and liabilities of the plan are not recorded on the County's financial statements. All contributions to this plan are voluntary employee contributions.

NOTE 12.

Pensions

A. General Information about the Pension Plan

Plan Description

The Gwinnett County Public Employees Retirement System (the "Plan") is a single-employer defined benefit pension plan. The present plan covers all employees of Gwinnett County who are members of the Defined Benefit Pension Plan. The Plan was created as a successor to a previous plan by action of the Board of Commissioners on September 19, 2006. The Retirement Plans Management Committee, composed of seven members who serve without compensation by the Plan, is the trustee of the Plan. The Bank of New York Mellon is the custodian for the Plan. Transamerica is the third-party administrator of the Plan. Benefit provisions and contribution requirements are established and may be amended by the Retirement Plans Management Committee, subject to approval by the Gwinnett County Board of Commissioners.

Summary of Significant Accounting Policies

The Plan's significant accounting policies are as follows:

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. Contributions are paid and based on payrolls for time worked through December 31 each year.

Cash and Cash Equivalents

The Plan considers all depository accounts, money market depository accounts, and un-invested cash in investment trust accounts to be cash equivalents.

Valuation of Investments

Investments are recorded at fair value. The net appreciation (depreciation) in the fair value of investments held by the Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the statement of fiduciary net position date. Investment income is recognized on the accrual basis as earned by the Plan.

Payment of Benefits

Benefits to retired participants are recorded when due in accordance with the terms of the Plan.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and 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.

Separate audited financial statements of the Plan are prepared and can be obtained at the Gwinnett County Department of Financial Services located at:

75 Langley Drive
Lawrenceville, GA 30046

Benefits Provided

The following brief description of the pension plan terms is provided for general information purposes only. Participants should refer to the plan document for more complete information.

Normal retirement age under the Plan is 65. Employees having an employment or reemployment date prior to November 1, 2004, become fully vested after three years of service. Employees having an employment or reemployment date after November 1, 2004, become fully vested after five years of service.

Early retirement means the following when a Participant becomes eligible:

Schedule A: A participant accruing benefits under *Schedule A* shall be entitled to an Unreduced Early Retirement Pension when he completes 30 years of Vesting Service or attains 65 years of age with at least five years of participation. A Participant accruing benefits under *Schedule A* will be entitled to a Reduced Early Retirement Pension on the latter of the date he attains 60 years of age and completes 10 years of service.

Schedule B or Schedule C: A participant accruing benefits under *Schedule B* or *Schedule C* shall be entitled to an Unreduced Early Retirement Pension on the earlier of the following dates; (i) the Participant completes 30 years of Vesting Service; or (ii) latter of the date (A) he attains 50 years of age and (B) his age, combined with his years of Vesting Service, equals or exceeds 75 or he attains age 65 with five years of plan participation. A Participant accruing benefits under *Schedule B* or *Schedule C* will be entitled to a Reduced Early Retirement Pension on the latter of the date he attains 60 years of age and completes 10 years of service.

Normal retirement benefits are based on a participant's average monthly compensation for the highest 60 consecutive months of credited service out of the employee's last 120 months of credited service prior to termination of employment. Normal retirement factor is 2.25 percent of participant's average monthly compensation multiplied by years of full-time credited service for *Schedule A* and *B*. Normal retirement factor is 2.5 percent of participant's average monthly compensation multiplied by years of full-time credited service for *Schedule C*.

Participants who retire will receive a cost of living increase as follows:

Schedule A: There is no cost of living adjustment for benefits provided under *Schedule A*.

Schedule B or C: A participant receiving retirement, disability pension, survivor, or deferred vested benefits under the provisions of any of the Employee Contributory Plans shall be entitled to a cost of living adjustment of his benefit in the amount of 1 percent per year.

A participant who, prior to satisfying the requirements for a normal, early, or reduced retirement pension shall be entitled to receive a Disability Pension if the participant has completed 10 years of full-time service and is determined to be totally disabled by the Social Security Administration prior to the participant's termination of employment.

Joint and survivor retirement benefits to a participant's designated beneficiary are provided by the Plan, as well as a 10 year certain benefit option.

A Post-Retirement Death Benefit of up to \$15,000 (payable in a lump sum) is provided for each participant receiving an early, reduced, normal, or late retirement pension, who retires directly from County employment.

Eligibility

Full-time employees with an employment or reemployment commencement date before December 31, 2006, who did not elect to participate in the Defined Contribution Plan are eligible to participate in the Plan.

Employees hired or rehired on or after January 1, 2007; County commissioners, other elected officials and appointed officials with an employment or reemployment date after August 1, 2000; and employees who elected to participate in the Defined Contribution Plan are excluded from participation in the Defined Benefit Plan. The Defined Benefit Plan is closed to new entrants.

At January 1, 2020, the following employees were covered by the benefit terms:

Plan Membership as of January 1, 2020	
Inactive members or beneficiaries currently receiving benefits	2,463
Inactive members entitled to but not yet receiving benefits	780
Active members	1,105
Total	<u>4,348</u>

Contributions

Gwinnett County is required to contribute an actuarially determined amount annually to the Plan's trust. The required contribution amount is determined using actuarial methods and assumptions approved by the Retirement Plans Management Committee. It is intended to satisfy the minimum contribution requirements as set forth in controlling state of Georgia statutes. Effective for the January 1, 2020, plan year, the recommended contribution for the County was set at \$46,586,421, and the County contributed \$46,767,000. The actuarially determined contribution for employees was \$6,326,328.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020, with update procedures performed by the actuary to roll forward the total pension liability measured as of December 31, 2020.

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 types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. The assumptions used in the January 1, 2020, actuarial valuation were as follows:

Actuarial cost method	Entry age normal
Price inflation	2.50 percent
Salary increases	4.50 – 5.50 percent, average, including inflation
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation
Cost-of-living adjustments	1.00 percent
Mortality	Pre-Retirement Mortality: PubG.H-2010 Headcount Weighted General Median Employee projected generationally using projection scale MP-2019 Post-Retirement Health Mortality: PubG.H-2010 Headcount Weighted General Median Healthy Retiree projected generationally using projection scale MP-2019 Post-Retirement Disabled Mortality: PubNS.H-2010 Headcount Weighted Non-Safety Median Disabled Retiree projected generationally using projection scale MP-2019

The actuarial assumptions used in the January 1, 2020, valuation were based on the results of the last actuarial experience study, dated January 27, 2010, with the exception of the mortality assumption. The mortality assumption was updated for the December 31, 2019, measurement date.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap growth	18.0%	5.2%
U.S. large cap value	12.0%	5.7%
U.S. large cap core	3.0%	5.5%
U.S. mid cap core	4.0%	5.6%
U.S. mid cap value	4.5%	5.8%
U.S. Smid-Blend	8.6%	5.7%
REITs	3.6%	6.9%
Foreign developed	12.5%	7.1%
Emerging markets	2.8%	7.0%
Global equity	8.5%	6.1%
Core fixed income	22.5%	1.7%
Total	100%	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed the County will contribute the actuarially determined contribution. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of all current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the future projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		Net Pension Liability (a) – (b)
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	
Balances at December 31, 2019	\$ 1,438,205,731	\$ 1,149,166,000	\$ 289,039,731
Changes for the year:			
Service cost	11,468,559	—	11,468,559
Interest	98,703,520	—	98,703,520
Difference between expected and actual experience	19,435,216	—	19,435,216
Contributions – employer	—	46,767,000	(46,767,000)
Contributions – employee	—	6,289,000	(6,289,000)
Net investment income	—	153,062,000	(153,062,000)
Benefit payments, including refunds of employee contributions	(79,248,000)	(79,248,000)	—
Administrative expense	—	(789,000)	789,000
Net changes	\$ 50,359,295	\$ 126,081,000	\$ (75,721,705)
Balances at December 31, 2020	\$ 1,488,565,026	\$ 1,275,247,000	\$ 213,318,026

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the County, calculated using the discount rate of 7.00 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 or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$ 389,786,533	\$ 213,318,026	\$ 65,910,553

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the County recognized pension expense of \$32,066,099. The following table provides a summary of the deferred inflows and outflows related to pensions as of December 31, 2020 (the measurement date):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,248,927	\$ —
Net difference between projected and actual earnings on plan investments	—	110,728,141
Total	\$ 5,248,927	\$ 110,728,141

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

Year ended December 31:	Deferred Outflows of Resources (a)	Deferred Inflows of Resources (b)	Amount recognized in Pension Expenses as an increase or (decrease) to Pension Expense (a) – (b)
2021	\$ 5,248,927	\$ 33,759,292	\$ (28,510,365)
2022	—	18,453,809	(18,453,809)
2023	—	43,802,097	(43,802,097)
2024	—	14,712,943	(14,712,943)
Thereafter	—	—	—



B. Defined Contribution Pension Plan

The Gwinnett County Defined Contribution Pension Plan (the “DC Plan”) is a defined contribution retirement plan established by Gwinnett County on August 1, 2000, to provide retirement benefits for appointed and elected officials. Effective January 1, 2007, all new eligible employees were required to participate in this plan, and the defined benefit plan was closed to new participants. The DC Plan is administered by Voya Financial. On December 31, 2020, there were 4,050 active participants. Plan participants are required to make a one-time, irrevocable election of either 2.5, 5.0, or 7.5 percent contribution of their pensionable earnings, and the County is required to contribute 11.5 percent of pensionable earnings (for employees hired prior to January 1, 2007) or 7.0 percent of pensionable earnings (for employees hired after January 1, 2007). Plan provisions and contribution requirements are established by and may be amended by the County Board of Commissioners within the scope of all applicable laws. The effective date of the plan was August 1, 2000. For the year ended December 31, 2020, the amount contributed by employees was \$10,879,022. The amount contributed by the County was \$20,851,487. Effective January 1, 2007, a 1 percent match of pensionable earnings for each employee who contributes at least 2.5 percent to their 457(b) account is made by the County to the DC Plan. Employees hired before January 1, 2016, vest in the County contributions on the following schedule: after 1 year of service they are vested 33 percent, after two years of service they are vested 67 percent, and after three years of service they are vested 100 percent. Employees hired on or after January 1, 2016, vest in the County contributions on the following schedule: after three years of service they are vested 33 percent, after 4 years of service they are vested 67 percent, and after five years of service they are vested 100 percent.

The DC Plan also contains an additional benefit – the Retiree Medical Savings Plan (401h). This plan is also administered by Voya Financial. All contributions to this plan are made by the County at 1.5 percent of pensionable earnings. This plan is for employees hired prior to January 1, 2007. Upon retirement, employees may receive disbursements from this account for eligible medical expenses. In 2020, the County contributed \$433,624 to this plan. Persons leaving County employment prior to retirement forfeit all rights or claims against the medical savings program and those funds are returned to the program for payment of expenses or redistribution in accordance with IRS §401h.

NOTE 13.

Other Post-Employment Benefits

General Information about the OPEB Plan

Plan Description

The Gwinnett County Retirement System Health Insurance Plan (the "OPEB Plan") is a single-employer defined benefit post-retirement health care plan, or Other Post-Employment Benefit plan. The Gwinnett County OPEB Trust is an irrevocable trust established pursuant to Section 115 of the Internal Revenue Code for the purpose of pre-funding other post-employment benefits provided under its welfare benefit plans in accordance with GASB Standards. The trust was established, effective January 1, 2007, by the Board of Commissioners to pre-fund medical and prescription drug benefits for retirees and other former employees (and their eligible dependents) who are eligible for such benefits under existing County policy. The Retirement Plans Management Committee, composed of seven members who serve without compensation by the OPEB Plan, is the trustee of the Plan. The Bank of New York Mellon is the custodian for the trust. Benefit provisions and contribution requirements are established and may be amended by the County Administrator.

Summary of Significant Accounting Policies

The Plan's significant accounting policies are as follows:

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. Contributions, which are based on payrolls for time worked through December 31 each year, are also accrued at year-end.

Cash and Cash Equivalents

The Plan considers all depository accounts, money market depository accounts, and un-invested cash in investment trust accounts to be cash equivalents.

Valuation of Investments

Investments are recorded at fair value. The net appreciation (depreciation) in the fair value of investments held by the Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the statement of fiduciary net position date. Investment income is recognized on the accrual basis as earned by the Plan.

Payment of Benefits

Benefits to retired participants are recorded when due in accordance with the terms of the Plan.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and 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.

Separate audited financial statements for the Gwinnett County Retirement System Health Insurance Plan can be obtained at the Gwinnett County Department of Financial Services located at:

75 Langley Drive
Lawrenceville, GA 30046

General

The following brief description of the OPEB plan terms is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

Retirement Options/Benefit Provisions

Eligible retirees and former employees who are not Medicare Eligible are offered the same health and prescription drug coverage as active employees with the addition of a Preferred Provider Organization Health Plan and a Bronze High Deductible Health Plan. Medicare Eligible retirees and former employees who are Medicare Eligible are offered a Medicare Advantage Plan. Retirees pay approximately 34 percent of actuarially calculated and self-supporting monthly rates. The County contributes the remainder of the rates, but it caps its contribution at specific monthly limits. Participants pay 100 percent of the cost of vision and dental coverage.

Eligibility

Eligible participants for Other Post-Employment Benefits include:

1. Retirees who retired directly from Gwinnett County and who elected to enroll in the retiree medical benefit plan
2. Retirees who retired directly from Gwinnett County and who elected to enroll in another, similar retiree medical benefit plan and who subsequently involuntarily lost that other coverage
3. Surviving beneficiaries receiving a Gwinnett County pension
4. Ex-elected officials who complete one full-term in office and who upon leaving office have no similar group health plan available to them
5. Certain disabled former employees

Effective July 1, 2007, employees hired into or transferred into full-time positions must have a minimum of 10 years credited service toward retirement and must retire directly from Gwinnett County in order to be eligible to participate in the retiree health plan. Active employees participating in a Gwinnett County retirement plan prior to July 1, 2007 must only retire directly from Gwinnett County in order to be eligible to participate in the retiree health plan.

Plan Membership

The following schedule reflects membership in the OPEB Plan as of January 1, 2020:

Active participants	5,061
Inactive members or their beneficiaries currently receiving benefits	1,556
Inactive members entitled to but not yet receiving benefits	—
Total	<u>6,617</u>

Contributions

In 2020, Gwinnett County contributed an actuarially determined amount to the OPEB Plan's trust. The annual contribution amount is determined using actuarial methods and assumptions approved by the Retirement Plans Management Committee. Effective for the January 1, 2020 plan year, the recommended contribution for the County was set at \$10,188,054, and the County contributed \$10,698,000.

Net OPEB Liability

The County's net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020, with update procedures performed by the actuary to roll forward the total OPEB liability measured as of December 31, 2020.

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 types of benefit provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. The assumptions used in the January 1, 2020, actuarial valuation were as follows:

Valuation date	January 1, 2020
Actuarial cost method	Entry age normal
Price inflation	2.50 percent
Salary increases	4.50 – 5.50 percent, average, including inflation
Investment rate of return	7.00 percent, net of investment expense, including inflation
Health care cost trend rate (used until hard cap is reached):	
Pre-Medicare eligible	7.00 percent
Medicare eligible	5.25 percent
Ultimate trend rate:	
Pre-Medicare eligible	4.50 percent
Medicare eligible	4.50 percent
Year of ultimate trend rate:	
Pre-Medicare	2027
Medicare	2023
Mortality	Pre-Retirement Mortality: PubG.H-2010 Headcount Weighted General Median Employee, projected generationally using projection scale MP-2019 Post-Retirement Health Mortality: PubG.H-2010 Headcount Weighted General Median Healthy Retiree, projected generationally using projection scale MP-2019 Post-Retirement Disabled Mortality: PubNS.H-2010 Headcount Weighted Non-Safety Median Disabled Retiree, projected generationally using projection scale MP-2019

The actuarial assumptions used for retirement, termination, and disability decrements for Plan participants who also are members of the County's defined benefit pension plan are based on the results of an actuarial experience study performed for the three year period ending January 1, 2009. The actuarial assumptions used for retirement and termination for Plan participants who also are members of the County's defined contribution pension plan are based on the results of an actuarial experience study performed for the period from January 1, 2007 through January 1, 2012. The remaining actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study done concurrently with the January 1, 2020 valuation.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap growth	18.0%	5.2%
U.S. large cap value	12.0%	5.7%
U.S. large cap core	3.0%	5.5%
U.S. mid cap core	4.0%	5.6%
U.S. mid cap value	4.5%	5.8%
U.S. smid-blend	8.6%	5.7%
REITs	3.6%	6.9%
Foreign developed	12.5%	7.1%
Emerging markets	2.8%	7.0%
Global equity	8.5%	6.1%
Core fixed income	22.5%	1.7%
Total	100%	

The discount rate used to measure the total OPEB liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed the County will contribute the actuarially determined contribution. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make projected future benefit payments of all current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all of the future projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2019	\$ 225,686,223	\$ 163,365,000	\$ 62,321,223
Changes for the year:			
Service cost	4,818,351	—	4,818,351
Interest	15,654,176	—	15,654,176
Difference between expected and actual experience	(10,877,353)	—	(10,877,353)
Changes of assumptions	124,752	—	124,752
Contributions – employer	—	10,698,000	(10,698,000)
Net investment income	—	22,709,000	(22,709,000)
Benefit payments	(13,747,000)	(13,747,000)	—
Administrative expense	—	(571,000)	571,000
Net changes	(4,027,074)	19,089,000	(23,116,074)
Balances at December 31, 2020	\$ 221,659,149	\$ 182,454,000	\$ 39,205,149

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the County, calculated using the discount rate of 7.00 percent, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net OPEB liability	\$ 58,632,146	\$ 39,205,149	\$ 22,369,251

Sensitivity of the net OPEB liability to changes in the health care cost trend rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Health Care Trend Rate	1% Increase
County's net OPEB liability	\$ 36,122,752	\$ 39,205,149	\$ 41,222,256

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

For the year ended December 31, 2020, the County recognized OPEB expense of \$6,392,475. The following table provides a summary of the deferred inflows and outflows related to OPEB as of December 31, 2020 (the measurement date):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,303,294	\$ 14,961,459
Changes of assumptions	1,762,454	—
Net difference between projected and actual earnings on plan investments	—	14,750,909
Total	\$ 9,065,748	\$ 29,712,368

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

Year ended December 31:	Deferred Outflows of Resources (a)	Deferred Inflows of Resources (b)	Amount recognized in OPEB Expense as a (decrease to) OPEB Expense (a) – (b)
2021	\$ 3,045,159	\$ 6,387,361	\$ (3,342,202)
2022	3,045,159	6,387,361	(3,342,202)
2023	2,620,666	9,893,580	(7,272,914)
2024	336,457	5,447,733	(5,111,276)
Thereafter	18,307	1,596,333	(1,578,026)

NOTE 14.

Fund Balances and Net Position

A. Nonspendable, Restricted, Committed, Assigned, and Unassigned Fund Balances

Nonspendable, restricted, committed, assigned, and unassigned fund balances in the various funds as of December 31, 2020, were as follows (in thousands of dollars):

Fund balances	General	Fire and EMS District	Police Services District	CARES Act Grant	Other Capital Projects	2009 Sales Tax	2014 Sales Tax	2017 Sales Tax	Other Governmental	Total
Nonspendable:										
Inventories	\$ 1,724	—	—	—	—	—	—	—	300	2,024
Prepaid items	630	5	206	—	63	213	—	—	29	1,146
Restricted for:										
Capital projects	—	—	—	—	216,916	18,174	85,288	301,985	—	622,363
Debt service	—	—	—	—	—	—	—	—	2	2
Special programs:										
Street lighting	—	—	—	—	—	—	—	—	1,765	1,765
Speed humps	—	—	—	—	—	—	—	—	851	851
Document printing	—	—	—	—	—	—	—	—	2,764	2,764
Juvenile court supervision	—	—	—	—	—	—	—	—	222	222
Tourism	—	—	—	—	—	—	—	—	34,172	34,172
Stadium operations	—	—	—	—	—	—	—	—	2,322	2,322
Law enforcement – sheriff	—	—	—	—	—	—	—	—	1,004	1,004
Law enforcement – police	—	—	—	—	—	—	—	—	2,332	2,332
Crime victims assistance	—	—	—	—	—	—	—	—	555	555
Law enforcement – district attorney	—	—	—	—	—	—	—	—	367	367
Corrections inmate welfare	—	—	—	—	—	—	—	—	609	609
Sheriff inmate store	—	—	—	—	—	—	—	—	4,280	4,280
E-911 services	—	—	—	—	—	—	—	—	31,798	31,798
Loganville EMS district	—	—	—	—	—	—	—	—	642	642
Development and enforcement services district	—	—	—	—	—	—	—	—	11,381	11,381
Recreation district	—	—	—	—	—	—	—	—	20,767	20,767
Economic development	—	—	—	—	—	—	—	—	9,393	9,393
Jimmy Carter Boulevard tax allocation district	—	—	—	—	—	—	—	—	8,737	8,737
Indian Trail tax allocation district	—	—	—	—	—	—	—	—	2,973	2,973
Park Place tax allocation district	—	—	—	—	—	—	—	—	1,912	1,912
Lake Lucerne tax allocation district	—	—	—	—	—	—	—	—	375	375
Gwinnett Place tax allocation district	—	—	—	—	—	—	—	—	2,420	2,420
The Exchange at Gwinnett tax allocation district	—	—	—	—	—	—	—	—	28,122	28,122
Grants	—	—	—	28,000	—	—	—	—	2,419	30,419
Fire and EMS district	—	67,698	—	—	—	—	—	—	—	67,698
Police services district	—	—	87,386	—	—	—	—	—	—	87,386
Committed to:										
Tree replacement	—	—	—	—	—	—	—	—	384	384
Assigned to:										
General fund – 2021 budget: appropriation of fund balance	18,864	—	—	—	—	—	—	—	—	18,864
Capital projects:										
General government projects	—	—	—	—	127,633	—	—	—	—	127,633
Unassigned	152,071	—	—	—	—	—	—	—	—	152,071
Total fund balances	\$ 173,289	67,703	87,592	28,000	344,612	18,387	85,288	301,985	172,897	1,279,753

B. Net Position

Net position in the governmentwide statements as of December 31, 2020, was as follows (in thousands of dollars):

Net Position	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	\$ 2,560,271	\$ 3,648,790	\$ 6,209,061
Restricted for:			
Capital projects:			
2009 sales tax capital project fund	18,387	—	18,387
2014 sales tax capital project fund	85,288	—	85,288
2017 sales tax capital project fund	301,985	—	301,985
Fire and EMS district projects	80,082	—	80,082
Police services district projects	107,944	—	107,944
Development and enforcement services district projects	17,798	—	17,798
Recreation district projects	11,092	—	11,092
Debt service	2	27,900	27,902
Special programs:			
Street lighting	1,891	—	1,891
Speed humps	855	—	855
Document printing	2,764	—	2,764
Juvenile court supervision	222	—	222
Tourism	35,696	—	35,696
Stadium operations	2,322	—	2,322
Law enforcement – sheriff	1,004	—	1,004
Law enforcement – police	2,332	—	2,332
Crime victims assistance	463	—	463
Law enforcement – district attorney	367	—	367
Corrections inmate welfare	609	—	609
Sheriff inmate store	4,280	—	4,280
E-911 services	24,649	—	24,649
Loganville EMS district	642	—	642
Development and enforcement services district	2,690	—	2,690
Recreation district	10,289	—	10,289
Economic development	9,579	—	9,579
Jimmy Carter Boulevard tax allocation district	9,572	—	9,572
Indian Trail tax allocation district	3,060	—	3,060
Park Place tax allocation district	1,978	—	1,978
Lake Lucerne tax allocation district	403	—	403
Gwinnett Place tax allocation district	2,499	—	2,499
The Exchange at Gwinnett tax allocation district	28,243	—	28,243
CARES Act grant	28,000	—	28,000
Miscellaneous grants	2,413	—	2,413
Fire and EMS district	1	—	1
Police services district	48,360	—	48,360
Unrestricted	209,120	313,912	523,032
Total net position	\$ 3,617,152	\$ 3,990,602	\$ 7,607,754

NOTE 15.

Tax Abatements

Under the *Gwinnett County Economic Development Ordinance* Section 2-151, et. seq. adopted April 19, 2006, the County participates in agreements with the Gwinnett County Development Authority and local businesses through a "Bonds for Title Program" which creates property tax abatements. A targeted business that receives a bond in exchange for the title of their property may receive a reduction of taxable value equal to the reciprocal of the number of years of the bond term applied to the market value of the total real estate. The gain in equity as the bond repayments are made becomes taxable in each subsequent year. Targeted businesses include: advanced manufacturing, headquarters and professional services, health sciences and services, information technology solutions, and supply chain management.

In order to qualify, certain eligibility requirements must be met and will differ if the targeted business is in a redevelopment area such as a community improvement district or tax allocation district. For businesses not located in a redevelopment area, at least two of the following conditions must be met over a specified period: 1) add at least 25 jobs, 2) pay an average salary at least 1.25 times the County average for the industry, or 3) have an estimated fiscal impact with a net present value to the County of at least \$250,000 as determined by the County's analysis. For those businesses located in a redevelopment area, requirements have a lower threshold and include satisfying at least two of the following conditions over a specified period: 1) add at least 10 new jobs, 2) pay at least the nationwide average salary for that industry, or 3) have an estimated fiscal impact with a net present value to the County of at least \$100,000, as determined by the County's analysis.

Any businesses receiving the abatement under this ordinance will agree not to relocate outside the County for the entire period during which the abatement is granted. If the business relocates, the full value of any and all abatements received pursuant to the ordinance will be reimbursed to the County or issuing Authority. Should the business fail to meet fiscal impact, income, or employment requirements, there will be a 20 percent reduction in the abatement to be received for the first such year. If requirements are not met for more than one year, there will be a 50 percent reduction for the second such year. A third year of non-attainment of requirements will result in a termination of the abatement pursuant to the Ordinance.

For the fiscal year ended December 31, 2020, the County abated property taxes totaling \$1,187,678 under this program.



NOTE 16.

Contingencies

A. Litigation

The County is a defendant in a number of legal actions in the nature of claims for alleged damages to persons and property, wrongful death, violation of civil rights, employment issues, and other similar types of actions arising in the course of County operations. There are a number of these wrongful death, civil rights, and personal injury cases pending against the County, which in the aggregate, create a significant risk of liability exposure to the County. Management believes based upon the opinion of legal counsel that current reserves in the Risk Management Fund should be adequate to cover this exposure.

B. Grants

The County participates in a number of federal financial assistance programs. These programs are subject to independent financial and compliance audits by grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, will not have a material effect on the County's financial position.

C. Liabilities

Gwinnett County has agreed to invest in repairs, replacements, rehabilitation and upgrades to the Lawrenceville Water Distribution System by December 1, 2030.

Contract Amount	\$	13,300,000
Spend to date		—
Balance	\$	<u>13,300,000</u>

NOTE 17.

Subsequent Event

On March 2, 2021, the County, through the Urban Development Agency, issued \$23,500,000 of Series 2021 Taxable Revenue Bonds for the purpose of acquiring approximately 39.06 acres of land at Gwinnett Place Mall for a redevelopment project. The bonds, which mature on September 1, 2041, will be paid utilizing the proceeds of the intergovernmental contract between the Agency and Gwinnett County.

DID YOU KNOW

Fire and Emergency Services responded to 84,572 incidents, transported 37,590 patients, and saved 54 heart attack victims in 2020.



REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

Defined Benefit Pension Plan

Schedule of Changes in the County's Net Pension Liability and Related Ratios (in thousands)

	2020	2019	2018	2017	2016	2015	2014
Total pension liability:							
Service cost	\$ 11,469	11,329	11,729	12,020	12,413	10,381	11,390
Interest	98,703	91,586	88,706	85,244	82,914	81,013	77,618
Difference between expected and actual experience	19,435	25,253	14,048	21,474	3,738	17,981	–
Changes of assumptions	–	50,586	–	–	–	121,862	–
Benefit payments	(79,248)	(75,169)	(70,723)	(67,254)	(63,539)	(59,323)	(54,595)
Net change in total pension liability	50,359	103,585	43,760	51,484	35,526	171,914	34,413
Total pension liability – beginning	1,438,206	1,334,621	1,290,861	1,239,377	1,203,851	1,031,937	997,524
Total pension liability – ending (a)	\$ 1,488,565	1,438,206	1,334,621	1,290,861	1,239,377	1,203,851	1,031,937
Plan fiduciary net position							
Contributions – employer	46,767	41,620	41,633	38,366	28,036	33,636	48,713
Contributions – employee	6,289	6,176	6,419	6,441	6,652	6,852	7,264
Net investment income	153,062	212,029	(54,537)	140,526	56,004	(2,182)	58,212
Benefit payments	(79,248)	(75,169)	(70,723)	(67,254)	(63,539)	(59,323)	(54,595)
Administrative expense	(789)	(731)	(757)	(724)	(818)	(638)	(878)
Net change in plan fiduciary net position	126,081	183,925	(77,965)	117,355	26,335	(21,655)	58,716
Plan fiduciary net position – beginning	1,149,166	965,241	1,043,206	925,851	899,516	921,171	862,455
Plan fiduciary net position – ending (b)	\$ 1,275,247	1,149,166	965,241	1,043,206	925,851	899,516	921,171
Net pension liability – ending (a) – (b)	\$ 213,318	289,040	369,380	247,655	313,526	304,335	110,766
Plan fiduciary net position as a percentage of the total pension liability	85.67%	79.90%	72.32%	80.81%	74.70%	74.72%	89.27%
Covered payroll	93,541	90,763	94,553	94,048	97,303	104,557	109,082
County's net pension liability as a percentage of covered payroll	228.05%	318.46%	390.66%	263.33%	322.22%	291.07%	101.54%

NOTE: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION DEFINED BENEFIT PENSION PLAN

Schedule of County Contributions (in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined employer contribution	\$ 46,586	41,350	41,102	37,945	28,036	33,636	38,713	37,281	36,181	37,563
Actual County contributions	<u>46,767</u>	<u>41,620</u>	<u>41,633</u>	<u>38,366</u>	<u>28,036</u>	<u>33,636</u>	<u>48,713</u>	<u>57,281</u>	<u>55,181</u>	<u>64,063</u>
Annual contribution (excess)	<u>\$ (181)</u>	<u>(270)</u>	<u>(531)</u>	<u>(421)</u>	<u>—</u>	<u>—</u>	<u>(10,000)</u>	<u>(20,000)</u>	<u>(19,000)</u>	<u>(26,500)</u>
Covered payroll	\$ 93,541	90,763	94,553	94,048	97,303	104,557	109,082	110,766	116,610	128,215
Actual contributions as a percentage of covered payroll	50.00%	45.86%	44.03%	40.79%	28.81%	32.17%	44.66%	51.71%	47.32%	49.97%

Notes to the Required Supplementary Information

Methods and assumptions used in calculations of actuarially determined contributions in the Schedule of Contributions:

Valuation date	January 1, 2019
Actuarial cost method	Projected unit credit
Amortization method	Level dollar
Amortization period	Closed
Remaining amortization period	14 years
Asset valuation method	Five-year smoothed market value
Actuarial assumptions:	
Investment rate of return (includes 2.5 percent inflation)	7.00%
Projected salary increases (includes 3.5 percent inflation)	4.50% – 5.50%
Price Inflation	2.50%
Wage Inflation	3.50%
Cost-of-living adjustments	1.00%

Changes of benefit terms

In 2007, the plan was amended and restated during the year to close the plan to new participants effective January 1, 2007.

In 2010, the employee contribution rates for Schedule B and Schedule C employees was increased 1.75 percent and plan compensation now includes overtime, overtime premium, scheduled overtime, and scheduled overtime premium.

Changes of assumption

In 2010, assumptions were updated as a result of an experience study for the three-year period ended January 1, 2009.

In 2015, the assumed rate of return on investments was reduced from 8.00 percent to 7.00 percent.

In 2019, the mortality assumption was updated to the Public Pension Plan Mortality Tables below:

- Pre-Retirement Mortality
PubG.H-2010 Headcount Weighted General Median Employee
Projection Scale: MP-2019
- Post Retirement Healthy Mortality
PubG.H-2010 Headcount Weighted General Median Healthy Retiree
Projection Scale: MP-2019
- Post Retirement Disabled Mortality
PubNS.H-2010 Headcount Weighted Non-Safety Median Disabled Retiree
Projection Scale: MP-2019

Complete financial statements for the Gwinnett County Defined Benefit Plan can be obtained at the Gwinnett County Department of Financial Services located at:

75 Langley Drive
Lawrenceville, GA 30046

REQUIRED SUPPLEMENTARY INFORMATION OTHER POST-EMPLOYMENT BENEFITS

Schedule of Changes in the County's Net OPEB Liability and Related Ratios (in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:				
Service cost	\$ 4,818	4,697	4,809	4,877
Interest	15,654	15,568	13,927	13,095
Difference between expected and actual experience	(10,877)	(9,026)	15,018	–
Changes of assumptions	125	2,169	476	–
Benefit payments	(13,747)	(10,840)	(10,525)	(11,279)
Net change in total OPEB liability	(4,027)	2,568	23,705	6,693
Total OPEB liability – beginning	225,686	223,118	199,413	192,720
Total OPEB liability – ending (a)	\$ <u>221,659</u>	<u>225,686</u>	<u>223,118</u>	<u>199,413</u>
Plan net position				
Contributions – employer	10,698	11,910	10,649	10,212
Net investment income	22,709	30,365	(7,699)	19,436
Benefit payments	(13,747)	(10,840)	(10,525)	(11,279)
Administrative expense	(571)	(583)	(617)	(672)
Net change in plan net position	19,089	30,852	(8,192)	17,697
Plan net position – beginning	163,365	132,513	140,705	123,008
Plan net position – ending (b)	\$ <u>182,454</u>	<u>163,365</u>	<u>132,513</u>	<u>140,705</u>
Net OPEB liability – ending (a) – (b)	\$ <u>39,205</u>	<u>62,321</u>	<u>90,605</u>	<u>58,708</u>
Plan net position as a percentage of the total OPEB liability	82.31%	72.39%	59.39%	70.56%
Covered payroll	296,133	272,337	260,420	240,315
Net OPEB liability as a percentage of covered payroll	13.24%	22.88%	34.79%	24.43%

NOTE: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION OTHER POST-EMPLOYMENT BENEFITS

Schedule of County Contributions (in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined employer contribution	\$ 10,188	10,563	9,327	9,521	10,494	9,895	9,389	11,137	15,641	16,255
Actual County contributions	<u>10,698</u>	<u>11,910</u>	<u>10,649</u>	<u>10,212</u>	<u>13,257</u>	<u>11,587</u>	<u>9,977</u>	<u>11,313</u>	<u>16,877</u>	<u>24,313</u>
Annual contribution (excess)	<u>\$ (510)</u>	<u>(1,347)</u>	<u>(1,322)</u>	<u>(691)</u>	<u>(2,763)</u>	<u>(1,692)</u>	<u>(588)</u>	<u>(176)</u>	<u>(1,236)</u>	<u>(8,058)</u>
Covered payroll	\$ 296,133	272,337	260,420	240,315	224,112	215,187	206,640	210,700	211,636	219,527
Actual contributions as a percentage of covered payroll	3.61%	4.37%	4.09%	4.25%	5.92%	5.38%	4.83%	5.37%	7.97%	11.08%

Notes to the Required Supplementary Information

Methods and assumptions used in calculations of actuarially determined contributions in the Schedule of Contributions:

Valuation date	January 1, 2019
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay
Amortization period	Closed
Remaining amortization period	26 years
Asset valuation method	Five-year smoothed market value
Actuarial assumptions:	
Price inflation	2.50%
Investment rate of return (includes inflation)	7.00%
Health care cost trend rate	Pre-Medicare eligible: 7.00% Medicare eligible: 5.50%
Ultimate trend rate	Pre-Medicare eligible: 4.50% Medicare eligible: 4.50%
Year of ultimate trend rate	Pre-Medicare: 2026 Medicare: 2023

For actuarial assumptions used in the actuarial valuation above, refer to [Note 13](#) of the financial statements.

Changes of benefit terms

There are no changes to benefit terms since the prior measurement date.

The cap on the County's monthly employer contribution for retiree health plan participants was changed as of January 1, 2017.

Changes of assumption

Since the prior measurement date, the health care price inflation rate, health care cost trend rates, and ultimate trend rates have been updated. The health care price inflation rate changed from 3.00 percent to 2.50 percent. The pre-Medicare eligible health care cost trend rate changed from 7.75 percent to 7.00 percent, and the Medicare eligible health care cost trend rate changed from 5.75 percent to 5.50 percent. Both the pre-Medicare eligible and Medicare eligible ultimate trend rates changed from 5.00 percent to 4.50 percent.

Complete financial statements for the Gwinnett County OPEB Plan can be obtained at the Gwinnett County Department of Financial Services located at:

75 Langley Drive
Lawrenceville, GA 30046

DID YOU KNOW

*In 2020, Gwinnett County Government was named one of
Atlanta's Healthiest Employers by the Atlanta Business Chronicle.*



NON-MAJOR
GOVERNMENTAL
FUNDS

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue

Street Lighting Fund

The Street Lighting Fund supports the County's street light program. Revenues are generated from properties benefiting from existing street lights and are restricted for the purpose of utility payments. Charges for services are collected as special assessment fees in the fourth quarter with property tax collections.

Speed Hump Fund

The Speed Hump Fund supports the County's speed hump program. Revenues are generated from properties benefiting from existing speed humps and are restricted for the purpose of maintenance. Charges for services are collected as special assessment fees in the fourth quarter with property tax collections.

Authority Imaging Fund

The Authority Imaging Fund accounts for revenues received from fees collected by the Clerk of Superior Court Authority for document printing. These monies must be used for the development, implementation, and maintenance of a statewide automated information system.

Juvenile Court Supervision Fund

The Juvenile Court Supervision Fund accounts for revenues collected as supervision fees from those who are placed under the courts' formal or informal supervision in order for the court to use those collections toward expenditures for specific ancillary services, as required by state law.

Tree Bank Fund

The Tree Bank Fund accounts for all financial transactions relating to the tree preservation and replacement plan in accordance with the *Gwinnett County Buffer, Landscape, and Tree Ordinance*. Revenue collected from developers, when the required tree density units cannot be met, is committed by the Board of Commissioners for the planting of trees.

Tourism Fund

The Tourism Fund accounts for the collection and disbursement of hotel/motel tax revenue in accordance with state law, which includes lease payments for the Gas South District and parking facility. The project was financed with bonds and is leased at cost with lease repayment terms mirroring the required debt service on the bonds. Lease payments are made in March and September and are reflected in the Development Authority line item. Other expenditures associated with this fund are quarterly payments to the Gwinnett Convention and Visitors Bureau, per a management agreement.

Stadium Fund

The Stadium Fund accumulates stadium-related revenues in order to make lease payments on the Stadium (Coolray Field) and pay other miscellaneous expenditures. The stadium project was financed with bonds and is leased at cost with lease repayment terms mirroring the required debt service on the bonds. Lease payments are made in January and July and are shown in the Development Authority line item. Motor vehicle rental taxes are restricted and expended in accordance with state law. Intergovernmental revenue is realized in the form of a one-time annual payment from the Gwinnett Convention and Visitors Bureau in January. Charges for services revenues from ticket sales, parking, rental fees, and naming rights are received in April, June, and October. Both intergovernmental and charges for services revenues are required to be expended in accordance with an operations and management agreement.

Sheriff Special Justice Fund

The Sheriff Special Justice Fund accounts for revenues resulting from the U.S. Department of Justice's confiscation of money or the sale of property from illegal drug and narcotics activities. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against federal guidelines.

Sheriff Special Treasury Fund

The Sheriff Special Treasury Fund accounts for revenues resulting from the U.S. Department of Treasury's confiscation of money or the sale of property from illegal drug and narcotics activities. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against federal guidelines.

Sheriff Special State Fund

The Sheriff Special State Fund accounts for revenues resulting from the state of Georgia's confiscation of money or the sale of property from illegal drug and narcotics activities. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against federal guidelines.

Police Special Justice Fund

The Police Special Justice Fund accounts for revenues resulting from the U.S. Department of Justice's confiscation of money or the sale of property from illegal drug and narcotics activities. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against federal guidelines.

Police Special State Fund

The Police Special State Fund accounts for revenues resulting from the state of Georgia's confiscation of money or the sale of property from illegal drug and narcotics activities. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against state guidelines.

Crime Victims Assistance Fund

The Crime Victims Assistance Fund accounts for revenues received from a 5 percent charge collected on fines within the Recorder's, Juvenile, State, Superior, and Magistrate Courts of Gwinnett County. Revenues are also received from 5 percent of fines from municipalities within Gwinnett County. These funds must be used to provide assistance to crime victims, in accordance with state law. Revenue is split between the Solicitor's and District Attorney's offices.

District Attorney Federal Justice Asset Sharing Fund

The District Attorney Federal Justice Asset Sharing Fund accounts for revenues received from an equitable sharing agreement between the Department of Justice and the Gwinnett County District Attorney for proceeds from confiscations. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against federal and state guidelines.

District Attorney Federal Treasury Asset Sharing Fund

The District Attorney Federal Treasury Asset Sharing Fund accounts for revenues received from an equitable sharing agreement between the Department of Treasury and the Gwinnett County District Attorney for proceeds from confiscations. The law states that any money or property confiscated in this manner shall be used for restricted purposes, and all expenditures are validated against federal and state guidelines.

Corrections Inmate Welfare Fund

The Corrections Inmate Welfare Fund accounts for proceeds received from commissary sales to provide recreational materials for the benefit of the inmates at the Corrections Facility, in accordance with state law.

Sheriff Inmate Fund

The Sheriff Inmate Fund accounts for proceeds received from commissary sales to provide recreational materials for the benefit of the inmates at the Detention Center, in accordance with guidelines established by the Georgia Sheriff's Association.

E-911 Fund

The E-911 Fund accounts for operations of the E-911 Communications Center. Revenues are primarily received from monthly subscriber fees remitted by wired and wireless telecommunication providers. Expenditures must comply with *Official Code of Georgia Annotated Title 46, chapter 5, Article 2, Part 4*.

Loganville Emergency Medical Services District Fund

The Loganville Emergency Medical Services District Fund accounts for the revenues and expenditures attributable to the Loganville Emergency Medical Services District. This district includes all properties within the portion of incorporated Loganville that lie within Gwinnett County. The County is responsible for providing emergency medical services within this district. The majority of expenditures are recorded in the fall based upon the certified property tax digest, as outlined in the intergovernmental agreement with the city of Loganville.

Development and Enforcement Services District Fund

The Development and Enforcement Services District Fund accounts for the revenues and expenditures attributable to the Development and Enforcement Services District. This district includes all properties within unincorporated Gwinnett County. The County is responsible for providing short-term planning and code enforcement services within this district. Financing is provided by a specific annual property tax levy restricted for this service district.

Recreation District Fund

The Recreation District Fund includes the combined accounts of the Recreation Authority and the Recreation Fund, which account for the operations and maintenance of County parks and recreational facilities. Financing is provided by a specific annual property tax levy restricted for recreation and miscellaneous revenues including admissions, concessions, and sports activity fees.

Economic Development Tax Fund

The Economic Development Tax Fund accounts for the accumulation of resources to provide funds for financial assistance to the Development Authority of Gwinnett County for economic development purposes in accordance with *O.C.G.A. § 48-5-220(20)*.

Jimmy Carter Boulevard TAD Fund

The Jimmy Carter Boulevard TAD Fund accounts for the positive tax increment revenues attributable to the Jimmy Carter Tax Allocation District. These revenues are restricted and used to pay for the redevelopment costs that provide substantial public benefit in accordance with the Jimmy Carter Boulevard Redevelopment Plan. The Jimmy Carter Boulevard TAD is located in the Gateway85 Gwinnett Community Improvement District along the Jimmy Carter Boulevard corridor adjacent to the city of Norcross.

Indian Trail TAD Fund

The Indian Trail TAD Fund accounts for the positive tax increment revenues attributable to the Indian Trail Tax Allocation District. These revenues are restricted and used to pay for redevelopment costs that provide substantial public benefit in accordance with the Indian Trail Redevelopment Plan. The Indian Trail TAD is located in the Gateway85 Gwinnett Community Improvement District at the I-85 and Indian Trail-Lilburn Road interchange adjacent to the city of Norcross.

Park Place TAD Fund

The Park Place TAD Fund accounts for positive tax increment revenues attributable to the Park Place Tax Allocation District. These revenues are restricted and used to pay for redevelopment costs that provide substantial public benefit in accordance with the Park Place Redevelopment Plan. The Park Place TAD is located in the Evermore Community Improvement District at the intersection of Highway 78 (Stone Mountain Highway) and Rockbridge Road.

Lake Lucerne TAD Fund

The Lake Lucerne TAD Fund accounts for positive tax increment revenues attributable to the Lake Lucerne Tax Allocation District. These revenues are restricted and used to pay for redevelopment costs that provide substantial public benefit in accordance with the Lake Lucerne Redevelopment Plan. The Lake Lucerne TAD is located in the Evermore Community Improvement District at the intersection of Highway 78 (Stone Mountain Highway) and Killian Hill Road.

Gwinnett Place TAD Fund

The Gwinnett Place TAD Fund accounts for positive tax increment revenues attributable to the Gwinnett Place Tax Allocation District. These revenues are restricted and used to pay for redevelopment costs that provide substantial public benefit in accordance with the Gwinnett Place Redevelopment Plan. This district includes properties in the Gwinnett Place Community Improvement District, which is located in the Gwinnett Place Redevelopment Area at the intersection of I-85 and Pleasant Hill Road in Duluth.

The Exchange at Gwinnett TAD Fund

The Exchange at Gwinnett TAD Fund accounts for positive tax increment revenues attributable to The Exchange at Gwinnett Tax Allocation District. These revenues are used to pay for redevelopment costs that abate or eliminate deleterious effects of inadequate infrastructure in accordance with The Exchange at Gwinnett Redevelopment Plan. This district includes properties at the southeast quadrant of the intersection of Interstate 85 and Georgia Highway 20 in the northern portion of the county.

Grant Funds

The Grant Funds account for funds received under federal and state grant programs and the matching transfers from other funds.

DEBT SERVICE FUND

The Exchange at Gwinnett TAD Debt Service Fund

The Exchange at Gwinnett TAD Debt Service Fund accounts for the payment of long-term principal and interest related to redevelopment bonds associated with The Exchange at Gwinnett Tax Allocation District. Debt service payments occur biannually in January and July.

OTHER GOVERNMENTAL FUNDS COMBINING BALANCE SHEET

December 31, 2020

(in thousands of dollars)

	Street Lighting	Speed Hump	Authority Imaging	Juvenile Court Supervision	Tree Bank	Tourism	Stadium	Sheriff Special Justice	Sheriff Special Treasury	Sheriff Special State	Police Special Justice
ASSETS:											
Cash and cash equivalents	\$ 1,910	973	2,764	227	384	25,078	2,206	369	310	327	1,039
Investments	354	—	—	—	—	8,535	—	—	—	—	—
Receivables, net of allowance:											
Taxes	392	6	—	—	—	—	—	—	—	—	—
Accounts	16	—	—	—	—	2,084	116	—	—	—	—
Due from other governments	—	—	—	—	—	—	—	—	—	—	—
Inventories	—	—	—	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—	—	—	—
Total assets	\$ <u>2,672</u>	<u>979</u>	<u>2,764</u>	<u>227</u>	<u>384</u>	<u>35,697</u>	<u>2,322</u>	<u>369</u>	<u>310</u>	<u>327</u>	<u>1,039</u>
LIABILITIES:											
Accounts payable	\$ 679	124	—	5	—	1	—	—	2	—	—
Due to other governments	—	—	—	—	—	—	—	—	—	—	—
Payroll payable	1	—	—	—	—	—	—	—	—	—	—
Retainage payable	—	—	—	—	—	—	—	—	—	—	—
Due to others	—	—	—	—	—	—	—	—	—	—	—
Total liabilities	<u>680</u>	<u>124</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>1</u>	<u>—</u>	<u>—</u>	<u>2</u>	<u>—</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES:											
Unavailable revenue	<u>227</u>	<u>4</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,524</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total deferred inflows of resources	<u>227</u>	<u>4</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,524</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
FUND BALANCES:											
Nonspendable	—	—	—	—	—	—	—	—	—	—	—
Restricted	1,765	851	2,764	222	—	34,172	2,322	369	308	327	1,039
Committed	—	—	—	—	384	—	—	—	—	—	—
Total fund balances	<u>1,765</u>	<u>851</u>	<u>2,764</u>	<u>222</u>	<u>384</u>	<u>34,172</u>	<u>2,322</u>	<u>369</u>	<u>308</u>	<u>327</u>	<u>1,039</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>2,672</u>	<u>979</u>	<u>2,764</u>	<u>227</u>	<u>384</u>	<u>35,697</u>	<u>2,322</u>	<u>369</u>	<u>310</u>	<u>327</u>	<u>1,039</u>

Non-major Special Revenue Funds

Police Special State	Crime Victims Assistance	DA Federal Justice Asset Sharing	DA Federal Treasury Asset Sharing	Corrections Inmate Welfare	Sheriff Inmate	E-911	Loganville EMS District	Development & Enforcement Services District	Recreation District	Economic Development Tax	Jimmy Carter Boulevard TAD	Indian Trail TAD
1,298	586	320	53	610	2,327	14,181	447	8,660	15,828	9,044	8,737	2,973
—	—	—	—	—	1,955	13,993	193	2,813	4,653	—	—	—
—	—	—	—	—	—	—	—	453	2,065	535	835	87
—	15	—	—	—	8	3,823	2	141	153	—	—	—
—	—	—	—	—	—	171	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	300	—	—	—
—	—	—	—	—	—	7	—	2	20	—	—	—
<u>1,298</u>	<u>601</u>	<u>320</u>	<u>53</u>	<u>610</u>	<u>4,290</u>	<u>32,175</u>	<u>642</u>	<u>12,069</u>	<u>23,019</u>	<u>9,579</u>	<u>9,572</u>	<u>3,060</u>
5	33	6	—	1	10	130	—	181	747	—	—	—
—	—	—	—	—	—	87	—	—	—	—	—	—
—	13	—	—	—	—	153	—	122	281	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	202	—	—	—	—
<u>5</u>	<u>46</u>	<u>6</u>	<u>—</u>	<u>1</u>	<u>10</u>	<u>370</u>	<u>—</u>	<u>505</u>	<u>1,028</u>	<u>—</u>	<u>—</u>	<u>—</u>
—	—	—	—	—	—	—	—	181	904	186	835	87
—	—	—	—	—	—	—	—	181	904	186	835	87
—	—	—	—	—	—	7	—	2	320	—	—	—
1,293	555	314	53	609	4,280	31,798	642	11,381	20,767	9,393	8,737	2,973
—	—	—	—	—	—	—	—	—	—	—	—	—
<u>1,293</u>	<u>555</u>	<u>314</u>	<u>53</u>	<u>609</u>	<u>4,280</u>	<u>31,805</u>	<u>642</u>	<u>11,383</u>	<u>21,087</u>	<u>9,393</u>	<u>8,737</u>	<u>2,973</u>
<u>1,298</u>	<u>601</u>	<u>320</u>	<u>53</u>	<u>610</u>	<u>4,290</u>	<u>32,175</u>	<u>642</u>	<u>12,069</u>	<u>23,019</u>	<u>9,579</u>	<u>9,572</u>	<u>3,060</u>

continued...

OTHER GOVERNMENTAL FUNDS COMBINING BALANCE SHEET – *Continued*

December 31, 2020

(in thousands of dollars)

	Non-major Special Revenue Funds							Total Other Governmental Funds
	Park Place TAD	Lake Lucerne TAD	Gwinnett Place TAD	The Exchange at Gwinnett TAD	Grant	Total Non-major Special Revenue Funds	The Exchange at Gwinnett TAD Debt Service	
ASSETS:								
Cash and cash equivalents	\$ 1,912	375	2,420	28,131	1,079	134,568	1,392	135,960
Investments	–	–	–	–	–	32,496	–	32,496
Receivables, net of allowance:								
Taxes	66	28	79	121	–	4,667	–	4,667
Accounts	–	–	–	–	–	6,358	–	6,358
Due from other governments	–	–	–	–	3,031	3,202	–	3,202
Inventories	–	–	–	–	–	300	–	300
Prepaid items	–	–	–	–	–	29	–	29
Total assets	\$ 1,978	403	2,499	28,252	4,110	181,620	1,392	183,012
LIABILITIES:								
Accounts payable	\$ –	–	–	9	1,631	3,564	1,390	4,954
Due to other governments	–	–	–	–	–	87	–	87
Payroll payable	–	–	–	–	–	570	–	570
Retainage payable	–	–	–	–	60	60	–	60
Due to others	–	–	–	–	–	202	–	202
Total liabilities	–	–	–	9	1,691	4,483	1,390	5,873
DEFERRED INFLOWS OF RESOURCES:								
Unavailable revenue	66	28	79	121	–	4,242	–	4,242
Total deferred inflows of resources	66	28	79	121	–	4,242	–	4,242
FUND BALANCES:								
Nonspendable	–	–	–	–	–	329	–	329
Restricted	1,912	375	2,420	28,122	2,419	172,182	2	172,184
Committed	–	–	–	–	–	384	–	384
Total fund balances	1,912	375	2,420	28,122	2,419	172,895	2	172,897
Total liabilities, deferred inflows of resources and fund balances	\$ 1,978	403	2,499	28,252	4,110	181,620	1,392	183,012

DID YOU KNOW

In 2020, Corrections graduated the third class of its welding vocational program, which was funded by the Workforce Innovation and Opportunity Act Services Grant.

OTHER GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES,

Year Ended December 31, 2020

(in thousands of dollars)

	Street Lighting	Speed Hump	Authority Imaging	Juvenile Court Supervision	Tree Bank	Tourism	Stadium	Sheriff Special Justice	Sheriff Special Treasury	Sheriff Special State	Police Special Justice
REVENUES:											
Taxes	\$ —	—	—	—	—	6,865	837	—	—	—	—
Permits and licenses	—	—	—	—	55	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	400	—	—	—	—
Charges for services	8,157	124	777	49	—	1	689	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	126	98	5	182
Investment earnings	10	9	2	—	—	30	7	—	—	—	—
Miscellaneous	56	—	—	—	—	—	—	3	—	—	—
Total revenues	<u>8,223</u>	<u>133</u>	<u>779</u>	<u>49</u>	<u>55</u>	<u>6,896</u>	<u>1,933</u>	<u>129</u>	<u>98</u>	<u>5</u>	<u>182</u>
EXPENDITURES:											
Current operating:											
Public safety	—	—	—	—	—	—	—	—	—	—	25
Judiciary	—	—	—	22	—	—	—	65	125	25	—
Public works	8,176	320	—	—	—	—	—	—	—	—	—
Culture and recreation	—	—	—	—	—	—	—	—	—	—	—
Housing and development	—	—	—	—	—	—	—	—	—	—	—
Tourism	—	—	—	—	—	4,057	—	—	—	—	—
Development authority	—	—	—	—	—	9,125	2,119	—	—	—	—
Grant programs	—	—	—	—	—	—	—	—	—	—	—
Capital outlay	—	—	—	—	—	—	—	154	7	—	—
Debt service	—	—	—	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—	—	—	—
Total expenditures	<u>8,176</u>	<u>320</u>	<u>—</u>	<u>22</u>	<u>—</u>	<u>13,182</u>	<u>2,119</u>	<u>219</u>	<u>132</u>	<u>25</u>	<u>25</u>
Revenues in excess of (less than) expenditures	<u>47</u>	<u>(187)</u>	<u>779</u>	<u>27</u>	<u>55</u>	<u>(6,286)</u>	<u>(186)</u>	<u>(90)</u>	<u>(34)</u>	<u>(20)</u>	<u>157</u>
OTHER FINANCING SOURCES (USES):											
Transfers in	—	—	—	—	—	33,000	—	—	—	—	—
Transfers out	(6)	—	—	—	—	—	—	—	—	—	—
Tax allocation district bonds issued	—	—	—	—	—	—	—	—	—	—	—
Discount on tax allocation district bonds issued	—	—	—	—	—	—	—	—	—	—	—
Other financing sources (uses), net	<u>(6)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>33,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	41	(187)	779	27	55	26,714	(186)	(90)	(34)	(20)	157
Fund balances – January 1	<u>1,724</u>	<u>1,038</u>	<u>1,985</u>	<u>195</u>	<u>329</u>	<u>7,458</u>	<u>2,508</u>	<u>459</u>	<u>342</u>	<u>347</u>	<u>882</u>
Fund balances – December 31	<u>\$ 1,765</u>	<u>851</u>	<u>2,764</u>	<u>222</u>	<u>384</u>	<u>34,172</u>	<u>2,322</u>	<u>369</u>	<u>308</u>	<u>327</u>	<u>1,039</u>

EXPENDITURES, AND CHANGES IN FUND BALANCES

Non-major Special Revenue Funds

Police Special State	Crime Victims Assistance	DA Federal Justice Asset Sharing	DA Federal Treasury Asset Sharing	Corrections Inmate Welfare	Sheriff Inmate	E-911	Loganville EMS District	Development & Enforcement Services District	Recreation District	Economic Development Tax	Jimmy Carter Boulevard TAD
—	—	—	—	—	—	7	—	8,538	35,888	10,174	2,565
—	—	—	—	—	—	—	—	5,128	—	—	—
—	—	—	—	—	—	—	—	59	299	—	—
—	—	—	—	116	783	21,966	—	768	1,163	—	—
441	560	3	7	—	—	—	—	—	—	—	—
—	2	—	—	—	102	443	7	228	203	—	31
—	1	—	—	7	—	11	—	8	1,209	—	—
441	563	3	7	123	885	22,427	7	14,729	38,762	10,174	2,596
273	—	—	—	9	—	16,974	54	—	—	—	—
—	781	21	—	—	414	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	36,607	—	—
—	—	—	—	—	—	—	—	10,645	—	—	—
—	—	—	—	—	—	—	—	—	—	781	—
—	—	—	—	—	—	—	—	—	—	—	—
219	—	23	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	4,326	—	—	—	—	—
492	781	44	—	9	414	21,300	54	10,645	36,607	781	—
(51)	(218)	(41)	7	114	471	1,127	(47)	4,084	2,155	9,393	2,596
—	—	—	—	—	—	—	—	—	13	—	—
—	—	—	—	(50)	—	(264)	—	(5,013)	(2,513)	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	(50)	—	(264)	—	(5,013)	(2,500)	—	—
(51)	(218)	(41)	7	64	471	863	(47)	(929)	(345)	9,393	2,596
1,344	773	355	46	545	3,809	30,942	689	12,312	21,432	—	6,141
1,293	555	314	53	609	4,280	31,805	642	11,383	21,087	9,393	8,737

continued...

OTHER GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – *Continued*

Non-major Special Revenue Funds

Year Ended December 31, 2020

(in thousands of dollars)

	Indian Trail TAD	Park Place TAD	Lake Lucerne TAD	Gwinnett Place TAD	The Exchange at Gwinnett TAD	Grant	Total Non-major Special Revenue Funds	Debt Service	Total Other Governmental Funds
REVENUES:									
Taxes	\$ 940	971	131	685	339	—	67,940	—	67,940
Permits and licenses	—	—	—	—	—	—	5,183	—	5,183
Intergovernmental	—	—	—	—	—	12,897	13,655	—	13,655
Charges for services	—	—	—	—	—	—	34,593	—	34,593
Fines and forfeitures	—	—	—	—	—	—	1,422	—	1,422
Investment earnings	—	—	—	—	18	—	1,092	2	1,094
Miscellaneous	—	—	—	—	—	147	1,442	—	1,442
Total revenues	940	971	131	685	357	13,044	125,327	2	125,329
EXPENDITURES:									
Current operating:									
Public safety	—	—	—	—	—	—	17,335	—	17,335
Judiciary	—	—	—	—	—	—	1,453	—	1,453
Public works	—	—	—	—	—	—	8,496	—	8,496
Culture and recreation	—	—	—	—	—	—	36,607	—	36,607
Housing and development	—	—	—	—	7,694	—	18,339	—	18,339
Tourism	—	—	—	—	—	—	4,057	—	4,057
Development authority	—	—	—	—	—	—	12,025	—	12,025
Grant programs	—	—	—	—	—	12,455	12,455	—	12,455
Capital outlay	—	—	—	—	—	447	850	—	850
Debt service	—	—	—	—	1,049	—	1,049	1,390	2,439
Intergovernmental	—	—	—	—	—	—	4,326	—	4,326
Total expenditures	—	—	—	—	8,743	12,902	116,992	1,390	118,382
Revenues in excess of (less than) expenditures	940	971	131	685	(8,386)	142	8,335	(1,388)	6,947
OTHER FINANCING SOURCES (USES):									
Transfers in	—	—	—	—	—	185	33,198	1,390	34,588
Transfers out	—	—	—	—	(1,390)	(462)	(9,698)	—	(9,698)
Tax allocation district bonds issued	—	—	—	—	38,485	—	38,485	—	38,485
Discount on tax allocation district bonds issued	—	—	—	—	(587)	—	(587)	—	(587)
Other financing sources (uses), net	—	—	—	—	36,508	(277)	61,398	1,390	62,788
Net change in fund balances	940	971	131	685	28,122	(135)	69,733	2	69,735
Fund balances – January 1	2,033	941	244	1,735	—	2,554	103,162	—	103,162
Fund balances – December 31	\$ 2,973	1,912	375	2,420	28,122	2,419	172,895	2	172,897

BUDGETARY COMPLIANCE

Special Revenue Funds

Schedule of revenues, expenditures, and changes in fund balances – budget and actual

Capital Projects Funds

Schedule of revenues, expenditures, and changes in fund balances – budget and actual

Debt Service Fund

Schedule of revenues, expenditures, and changes in fund balances – budget and actual

Grant Fund

Schedule of revenues and expenditures – budget and actual



SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND

Year Ended December 31, 2020

(in thousands of dollars)

	Street Lighting			Speed Hump			Authority Imaging		
	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
REVENUES:									
Taxes	\$ —	—	—	—	—	—	—	—	—
Permits and licenses	—	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—	—
Charges for services	8,360	8,157	(203)	126	124	(2)	637	777	140
Fines and forfeitures	—	—	—	—	—	—	—	—	—
Investment earnings	11	9	(2)	15	15	—	2	2	—
Miscellaneous	—	56	56	—	—	—	—	—	—
Total revenues	8,371	8,222	(149)	141	139	(2)	639	779	140
EXPENDITURES:									
Current operating:									
Public safety	—	—	—	—	—	—	—	—	—
Judiciary	—	—	—	—	—	—	—	—	—
Public works	8,325	8,174	151	432	320	112	—	—	—
Culture and recreation	—	—	—	—	—	—	—	—	—
Housing and development	—	—	—	—	—	—	—	—	—
Tourism	—	—	—	—	—	—	—	—	—
Development authority	—	—	—	—	—	—	—	—	—
Debt service	—	—	—	—	—	—	—	—	—
Total expenditures	8,325	8,174	151	432	320	112	—	—	—
Revenues in excess of (less than) expenditures	46	48	2	(291)	(181)	110	639	779	140
OTHER FINANCING SOURCES (USES):									
Transfers in	—	—	—	—	—	—	—	—	—
Transfers out	(6)	(6)	—	—	—	—	—	—	—
Tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Discount on tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Other financing sources (uses), net	(6)	(6)	—	—	—	—	—	—	—
Revenues and other financing sources in excess of (less than) expenditures and other financing uses	40	42	2	(291)	(181)	110	639	779	140
Fund balance allocation	(40)	—	40	291	—	(291)	(639)	—	639
Fund balances – January 1	—	1,724	1,724	—	1,033	1,033	—	1,985	1,985
Fund balances – December 31	\$ —	1,766	1,766	—	852	852	—	2,764	2,764

CHANGES IN FUND BALANCES BUDGET & ACTUAL (BUDGET BASIS)

Juvenile Court Supervision			Tree Bank			Tourism			Stadium			Sheriff Special Justice		
Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
—	—	—	—	—	—	7,014	6,865	(149)	722	837	115	—	—	—
—	—	—	15	55	40	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	400	400	—	—	—	—
56	49	(7)	—	—	—	—	1	1	1,117	689	(428)	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	126	126	—
—	—	—	—	—	—	—	30	30	—	7	7	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	3	3
56	49	(7)	15	55	40	7,014	6,896	(118)	2,239	1,933	(306)	126	129	3
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	22	18	—	—	—	—	—	—	—	—	—	326	219	107
—	—	—	20	—	20	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	4,062	4,057	5	—	—	—	—	—	—
—	—	—	—	—	—	9,125	9,125	—	2,121	2,119	2	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
40	22	18	20	—	20	13,187	13,182	5	2,121	2,119	2	326	219	107
16	27	11	(5)	55	60	(6,173)	(6,286)	(113)	118	(186)	(304)	(200)	(90)	110
—	—	—	—	—	—	33,000	33,000	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	33,000	33,000	—	—	—	—	—	—	—
16	27	11	(5)	55	60	26,827	26,714	(113)	118	(186)	(304)	(200)	(90)	110
(16)	—	16	5	—	(5)	(26,827)	—	26,827	(118)	—	118	200	—	(200)
—	195	195	—	329	329	—	7,458	7,458	—	2,508	2,508	—	459	459
—	222	222	—	384	384	—	34,172	34,172	—	2,322	2,322	—	369	369

continued...

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND

Year Ended December 31, 2020

(in thousands of dollars)

	Sheriff Special Treasury			Sheriff Special State			Police Special Justice		
	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
REVENUES:									
Taxes	\$ —	—	—	—	—	—	—	—	—
Permits and licenses	—	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—	—
Fines and forfeitures	98	98	—	5	5	—	182	182	—
Investment earnings	—	—	—	—	—	—	—	—	—
Miscellaneous	—	—	—	—	—	—	—	—	—
Total revenues	98	98	—	5	5	—	182	182	—
EXPENDITURES:									
Current operating:									
Public safety	—	—	—	—	—	—	111	25	86
Judiciary	298	133	165	205	25	180	—	—	—
Public works	—	—	—	—	—	—	—	—	—
Culture and recreation	—	—	—	—	—	—	—	—	—
Housing and development	—	—	—	—	—	—	—	—	—
Tourism	—	—	—	—	—	—	—	—	—
Development authority	—	—	—	—	—	—	—	—	—
Debt service	—	—	—	—	—	—	—	—	—
Total expenditures	298	133	165	205	25	180	111	25	86
Revenues in excess of (less than) expenditures	(200)	(35)	165	(200)	(20)	180	71	157	86
OTHER FINANCING SOURCES (USES):									
Transfers in	—	—	—	—	—	—	—	—	—
Transfers out	—	—	—	—	—	—	—	—	—
Tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Discount on tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Other financing sources (uses), net	—	—	—	—	—	—	—	—	—
Revenues and other financing sources in excess of (less than) expenditures and other financing uses	(200)	(35)	165	(200)	(20)	180	71	157	86
Fund balance allocation	200	—	(200)	200	—	(200)	(71)	—	71
Fund balances – January 1	—	342	342	—	347	347	—	882	882
Fund balances – December 31	\$ —	307	307	—	327	327	—	1,039	1,039

CHANGES IN FUND BALANCES BUDGET & ACTUAL (BUDGET BASIS) – *Continued*

Police Special State			Crime Victims Assistance			DA Federal Justice Asset Sharing			DA Federal Treasury Asset Sharing			Corrections Inmate Welfare		
Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	119	116	(3)
441	441	–	734	560	(174)	3	3	–	7	7	–	–	–	–
–	–	–	3	2	(1)	–	–	–	–	–	–	–	–	–
–	–	–	–	1	1	–	–	–	–	–	–	12	7	(5)
441	441	–	737	563	(174)	3	3	–	7	7	–	131	123	(8)
951	492	459	–	–	–	–	–	–	–	–	–	23	9	14
–	–	–	938	781	157	178	44	134	7	–	7	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
951	492	459	938	781	157	178	44	134	7	–	7	23	9	14
(510)	(51)	459	(201)	(218)	(17)	(175)	(41)	134	–	7	7	108	114	6
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	(50)	(50)	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	(50)	(50)	–
(510)	(51)	459	(201)	(218)	(17)	(175)	(41)	134	–	7	7	58	64	6
510	–	(510)	201	–	(201)	175	–	(175)	–	–	–	(58)	–	58
–	1,344	1,344	–	773	773	–	355	355	–	46	46	–	545	545
–	1,293	1,293	–	555	555	–	314	314	–	53	53	–	609	609

continued...

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND

Year Ended December 31, 2020

(in thousands of dollars)

	Sheriff Inmate			E-911			Loganville EMS District		
	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
REVENUES:									
Taxes	\$ —	—	—	—	7	7	—	—	—
Permits and licenses	—	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—	—
Charges for services	715	783	68	21,017	21,966	949	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—	—
Investment earnings	—	42	42	308	307	(1)	7	7	—
Miscellaneous	—	—	—	—	11	11	—	—	—
Total revenues	715	825	110	21,325	22,291	966	7	7	—
EXPENDITURES:									
Current operating:									
Public safety	—	—	—	25,197	21,301	3,896	55	54	1
Judiciary	652	414	238	—	—	—	—	—	—
Public works	—	—	—	—	—	—	—	—	—
Culture and recreation	—	—	—	—	—	—	—	—	—
Housing and development	—	—	—	—	—	—	—	—	—
Tourism	—	—	—	—	—	—	—	—	—
Development authority	—	—	—	—	—	—	—	—	—
Debt service	—	—	—	—	—	—	—	—	—
Total expenditures	652	414	238	25,197	21,301	3,896	55	54	1
Revenues in excess of (less than) expenditures	63	411	348	(3,872)	990	4,862	(48)	(47)	1
OTHER FINANCING SOURCES (USES):									
Transfers in	—	—	—	—	—	—	—	—	—
Transfers out	—	—	—	(1,521)	(264)	1,257	—	—	—
Tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Discount on tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Other financing sources (uses), net	—	—	—	(1,521)	(264)	1,257	—	—	—
Revenues and other financing sources in excess of (less than) expenditures and other financing uses	63	411	348	(5,393)	726	6,119	(48)	(47)	1
Fund balance allocation	(63)	—	63	5,393	—	(5,393)	48	—	(48)
Fund balances – January 1	—	3,809	3,809	—	30,891	30,891	—	689	689
Fund balances – December 31	\$ —	4,220	4,220	—	31,617	31,617	—	642	642

CHANGES IN FUND BALANCES BUDGET & ACTUAL (BUDGET BASIS) – *Continued*

Development & Enforcement Services District			Recreation District			Economic Development Tax			Jimmy Carter Boulevard TAD			Indian Trail TAD		
Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
7,762	8,538	776	35,180	35,888	708	10,221	10,174	(47)	1,825	2,565	740	626	940	314
4,273	5,128	855	–	–	–	–	–	–	–	–	–	–	–	–
40	59	19	203	299	96	–	–	–	–	–	–	–	–	–
574	768	194	5,005	1,163	(3,842)	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
139	139	–	146	145	(1)	–	–	–	–	31	31	–	–	–
–	8	8	2,708	1,209	(1,499)	–	–	–	–	–	–	–	–	–
<u>12,788</u>	<u>14,640</u>	<u>1,852</u>	<u>43,242</u>	<u>38,704</u>	<u>(4,538)</u>	<u>10,221</u>	<u>10,174</u>	<u>(47)</u>	<u>1,825</u>	<u>2,596</u>	<u>771</u>	<u>626</u>	<u>940</u>	<u>314</u>
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	44,767	36,607	8,160	–	–	–	–	–	–	–	–	–
10,643	10,645	(2)	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	781	781	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<u>10,643</u>	<u>10,645</u>	<u>(2)</u>	<u>44,767</u>	<u>36,607</u>	<u>8,160</u>	<u>781</u>	<u>781</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
<u>2,145</u>	<u>3,995</u>	<u>1,850</u>	<u>(1,525)</u>	<u>2,097</u>	<u>3,622</u>	<u>9,440</u>	<u>9,393</u>	<u>(47)</u>	<u>1,825</u>	<u>2,596</u>	<u>771</u>	<u>626</u>	<u>940</u>	<u>314</u>
–	–	–	13	13	–	–	–	–	–	–	–	–	–	–
(5,013)	(5,013)	–	(2,511)	(2,513)	(2)	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<u>(5,013)</u>	<u>(5,013)</u>	<u>–</u>	<u>(2,498)</u>	<u>(2,500)</u>	<u>(2)</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(2,868)	(1,018)	1,850	(4,023)	(403)	3,620	9,440	9,393	(47)	1,825	2,596	771	626	940	314
2,868	–	(2,868)	4,023	–	(4,023)	(9,440)	–	9,440	(1,825)	–	1,825	(626)	–	626
–	12,264	12,264	–	21,386	21,386	–	–	–	–	6,141	6,141	–	2,033	2,033
–	11,246	11,246	–	20,983	20,983	–	9,393	9,393	–	8,737	8,737	–	2,973	2,973

continued...

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND

Year Ended December 31, 2020

(in thousands of dollars)

	Park Place TAD			Lake Lucerne TAD			Gwinnett Place TAD		
	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)	Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
REVENUES:									
Taxes	\$ 1,176	971	(205)	128	131	3	1,212	685	(527)
Permits and licenses	—	—	—	—	—	—	—	—	—
Intergovernmental	—	—	—	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—	—	—	—
Investment earnings	—	—	—	—	—	—	—	—	—
Miscellaneous	—	—	—	—	—	—	—	—	—
Total revenues	1,176	971	(205)	128	131	3	1,212	685	(527)
EXPENDITURES:									
Current operating:									
Public safety	—	—	—	—	—	—	—	—	—
Judiciary	—	—	—	—	—	—	—	—	—
Public works	—	—	—	—	—	—	—	—	—
Culture and recreation	—	—	—	—	—	—	—	—	—
Housing and development	—	—	—	—	—	—	—	—	—
Tourism	—	—	—	—	—	—	—	—	—
Development authority	—	—	—	—	—	—	—	—	—
Debt service	—	—	—	—	—	—	—	—	—
Total expenditures	—	—	—	—	—	—	—	—	—
Revenues in excess of (less than) expenditures	1,176	971	(205)	128	131	3	1,212	685	(527)
OTHER FINANCING SOURCES (USES):									
Transfers in	—	—	—	—	—	—	—	—	—
Transfers out	—	—	—	—	—	—	—	—	—
Tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Discount on tax allocation district bonds issued	—	—	—	—	—	—	—	—	—
Other financing sources (uses), net	—	—	—	—	—	—	—	—	—
Revenues and other financing sources in excess of (less than) expenditures and other financing uses	1,176	971	(205)	128	131	3	1,212	685	(527)
Fund balance allocation	(1,176)	—	1,176	(128)	—	128	(1,212)	—	1,212
Fund balances – January 1	—	941	941	—	244	244	—	1,735	1,735
Fund balances – December 31	\$ —	1,912	1,912	—	375	375	—	2,420	2,420

CHANGES IN FUND BALANCES BUDGET & ACTUAL (BUDGET BASIS) – *Continued*

The Exchange at Gwinnett TAD		
Budget	Actual (non-GAAP Budget Basis)	Variance- positive (negative)
78	338	260
–	–	–
–	–	–
–	–	–
–	–	–
–	18	18
–	–	–
<u>78</u>	<u>356</u>	<u>278</u>
–	–	–
–	–	–
–	–	–
–	–	–
16,037	7,694	8,343
–	–	–
–	–	–
1,049	1,049	–
<u>17,086</u>	<u>8,743</u>	<u>8,343</u>
<u>(17,008)</u>	<u>(8,387)</u>	<u>8,621</u>
–	–	–
(1,390)	(1,390)	–
38,485	38,485	–
(587)	(587)	–
<u>36,508</u>	<u>36,508</u>	<u>–</u>
19,500	28,121	8,621
(19,500)	–	19,500
–	–	–
<u>–</u>	<u>28,121</u>	<u>28,121</u>

CAPITAL PROJECTS FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND

Year Ended December 31, 2020

(in thousands of dollars)

	2009 Sales Tax			2014 Sales Tax		
	Budget	Actual	Variance-positive (negative)	Budget	Actual	Variance-positive (negative)
REVENUES:						
Sales tax proceeds	\$ —	—	—	—	—	—
Intergovernmental	3,188	3,188	—	13,248	13,248	—
Investment earnings (loss)	779	595	(184)	1,114	1,113	(1)
Miscellaneous	45	45	—	289	289	—
Total revenues	<u>4,012</u>	<u>3,828</u>	<u>(184)</u>	<u>14,651</u>	<u>14,650</u>	<u>(1)</u>
EXPENDITURES:						
Capital outlay	63,098	63,098	—	40,488	40,488	—
Intergovernmental	—	—	—	—	—	—
Total expenditures	<u>63,098</u>	<u>63,098</u>	<u>—</u>	<u>40,488</u>	<u>40,488</u>	<u>—</u>
Revenues in excess of (less than) expenditures	<u>(59,086)</u>	<u>(59,270)</u>	<u>(184)</u>	<u>(25,837)</u>	<u>(25,838)</u>	<u>(1)</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	—	—	—	—	—	—
Transfers out	—	—	—	—	—	—
Other financing sources (uses), net	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Revenues and other financing sources in excess of (less than) expenditures and other financing uses	<u>(59,086)</u>	<u>(59,270)</u>	<u>(184)</u>	<u>(25,837)</u>	<u>(25,838)</u>	<u>(1)</u>
Fund balance allocation	59,086	—	(59,086)	25,837	—	(25,837)
Fund balances – January 1	<u>—</u>	<u>77,638</u>	<u>77,638</u>	<u>—</u>	<u>110,867</u>	<u>110,867</u>
Fund balances – December 31	<u>\$ —</u>	<u>18,368</u>	<u>18,368</u>	<u>—</u>	<u>85,029</u>	<u>85,029</u>

Budgets for capital projects funds are adopted on a multi-year basis and appropriated annually. Any unspent budget at the end of the year is rolled forward to the next year.

CHANGES IN FUND BALANCES BUDGET & ACTUAL (BUDGET BASIS)

2017 Sales Tax			Other Capital Projects		
Budget	Actual	Variance-positive (negative)	Budget	Actual	Variance-positive (negative)
183,774	183,774	—	—	—	—
3,408	3,408	—	—	—	—
4,367	4,367	—	3,658	3,658	—
137	137	—	8,064	8,064	—
191,686	191,686	—	11,722	11,722	—
111,284	111,284	—	46,400	46,400	—
39,034	39,034	—	—	—	—
150,318	150,318	—	46,400	46,400	—
41,368	41,368	—	(34,678)	(34,678)	—
—	—	—	97,573	97,573	—
—	—	—	(33,000)	(33,000)	—
—	—	—	64,573	64,573	—
41,368	41,368	—	29,895	29,895	—
(41,368)	—	41,368	(29,895)	—	29,895
—	257,808	257,808	—	312,518	312,518
—	299,176	299,176	—	342,413	342,413

Budgets for capital projects funds are adopted on a multi-year basis and appropriated annually. Any unspent budget at the end of the year is rolled forward to the next year.

DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGET BASIS)

Year Ended December 31, 2020

(in thousands of dollars)

	The Exchange at Gwinnett Debt Service Fund		
	Budget	Actual	Variance-positive (negative)
REVENUES:			
Investment earnings	\$ —	2	2
Total revenues	—	2	2
EXPENDITURES:			
Debt service	1,390	1,390	—
Total expenditures	1,390	1,390	—
Revenues (less than) expenditures	(1,390)	(1,388)	2
OTHER FINANCING SOURCES:			
Transfers in	1,390	1,390	—
Revenues and other financing sources in excess of expenditures and other financing uses	—	2	2
Fund balance allocation	—	—	—
Fund balances – January 1	—	—	—
Fund balances – December 31	\$ —	2	2

GRANT FUND SCHEDULE OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL (BUDGET BASIS)

Year Ended December 31, 2020

(in thousands of dollars)

	Grant Fund		
	Budget	Actual (non-GAAP budget basis)	Variance-positive (negative)
REVENUES:			
Intergovernmental revenues	\$ 48,049	26,330	(21,719)
Local revenues	928	332	(596)
Total revenues	48,977	26,662	(22,315)
EXPENDITURES:			
Program expenditures	48,977	26,933	22,044
Revenues (less than) expenditures	\$ —	(271)	(271)



OTHER ENTERPRISE FUNDS

ENTERPRISE FUNDS

Other Enterprise Funds

Airport Fund

The Airport Fund includes the combined accounts of the Airport Enterprise Funds and the Airport Authority, which are used to account for the acquisition, construction, operations, and maintenance of the Gwinnett County Airport, Briscoe Field. Revenues are generally derived from the rental of space and facilities.

Economic Development Fund

The Economic Development Fund supports debt service and operations related to economic development.

Solid Waste Fund

The Solid Waste Fund accounts for the financial transactions related to solid waste management in accordance with the *Solid Waste Collection and Disposal Services Ordinance*. The primary intent of the ordinance is the reduction of solid waste being received at disposal facilities. Revenues are derived from non-exclusive franchise fees paid by commercial waste haulers and service fees paid by residential homeowners in unincorporated Gwinnett County.

Transit Fund

The Transit Fund accounts for the acquisition, improvement, maintenance, and operations of the transit system. Revenues are derived from fares, federal and state grants, and local taxes.

OTHER ENTERPRISE FUNDS COMBINING STATEMENT OF NET POSITION

December 31, 2020

(in thousands of dollars)

	Airport	Economic Development	Solid Waste	Transit	Total
ASSETS:					
Current assets:					
Cash and cash equivalents	\$ —	170	57,734	7,964	65,868
Investments	—	—	469	293	762
Accounts receivable, net of allowance	65	198	1,633	568	2,464
Due from other governments	12,238	—	—	8,155	20,393
Prepaid Items	—	—	—	91	91
Total current assets	12,303	368	59,836	17,071	89,578
Noncurrent assets:					
Investments	—	—	14,959	7,162	22,121
Assets held for redevelopment	—	34,936	—	—	34,936
Land and construction in progress	11,526	—	1,317	6,992	19,835
Other capital assets, net of depreciation	26,739	—	19	16,620	43,378
Total noncurrent assets	38,265	34,936	16,295	30,774	120,270
Total assets	50,568	35,304	76,131	47,845	209,848
DEFERRED OUTFLOWS OF RESOURCES:					
Pension related deferred outflows	3	—	—	4	7
OPEB related deferred outflows	10	—	12	14	36
Total deferred outflows of resources	13	—	12	18	43

continued...

OTHER ENTERPRISE FUNDS COMBINING STATEMENT OF NET POSITION – Continued

	Airport	Economic Development	Solid Waste	Transit	Total
LIABILITIES:					
Current liabilities:					
Accounts payable	961	151	3,492	3,218	7,822
Payroll payable	9	—	10	11	30
Retainage payable	1,734	—	—	—	1,734
Accumulated leave benefits – current	37	—	26	41	104
Accrued interest payable	—	406	—	—	406
Due to other funds	8,587	—	—	—	8,587
Due to others	1	—	—	—	1
Revenue bonds payable – current	—	1,330	—	—	1,330
Unearned revenue	—	—	42,377	—	42,377
Total current liabilities	<u>11,329</u>	<u>1,887</u>	<u>45,905</u>	<u>3,270</u>	<u>62,391</u>
Noncurrent liabilities:					
Accumulated leave benefits	31	—	21	23	75
Revenue bonds payable	—	31,185	—	—	31,185
Net pension liability	109	—	—	175	284
Net OPEB liability	44	—	51	60	155
Total noncurrent liabilities	<u>184</u>	<u>31,185</u>	<u>72</u>	<u>258</u>	<u>31,699</u>
Total liabilities	<u>11,513</u>	<u>33,072</u>	<u>45,977</u>	<u>3,528</u>	<u>94,090</u>
DEFERRED INFLOWS OF RESOURCES:					
Pension related deferred inflows	57	—	—	91	148
OPEB related deferred inflows	34	—	38	45	117
Total deferred inflows of resources	<u>91</u>	<u>—</u>	<u>38</u>	<u>136</u>	<u>265</u>
NET POSITION:					
Net investment in capital assets	36,531	—	1,336	23,612	61,479
Unrestricted	2,446	2,232	28,792	20,587	54,057
Total net position	<u>\$ 38,977</u>	<u>2,232</u>	<u>30,128</u>	<u>44,199</u>	<u>115,536</u>

OTHER ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

Year Ended December 31, 2020

(in thousands of dollars)

	Airport	Economic Development	Solid Waste	Transit	Total
OPERATING REVENUES:					
Operating lease and rental income	\$ 954	2,096	—	—	3,050
User fees and charges	—	—	42,744	1,135	43,879
Miscellaneous	1	—	1	5	7
Total operating revenues	<u>955</u>	<u>2,096</u>	<u>42,745</u>	<u>1,140</u>	<u>46,936</u>
OPERATING EXPENSES:					
Depreciation	508	—	6	3,397	3,911
Transit operations	—	—	—	20,661	20,661
General and administrative	1,235	1,933	42,452	—	45,620
Total operating expenses	<u>1,743</u>	<u>1,933</u>	<u>42,458</u>	<u>24,058</u>	<u>70,192</u>
Operating income (loss)	<u>(788)</u>	<u>163</u>	<u>287</u>	<u>(22,918)</u>	<u>(23,256)</u>
NON-OPERATING REVENUES:					
Intergovernmental	—	—	—	13,588	13,588
Investment earnings	13	8	880	283	1,184
Interest expense	—	(1,245)	—	—	(1,245)
Gain (loss) on disposal of capital assets	2	—	—	(1)	1
Total non-operating revenues (expenses)	<u>15</u>	<u>(1,237)</u>	<u>880</u>	<u>13,870</u>	<u>13,528</u>
Income (loss) before transfers and contributions	<u>(773)</u>	<u>(1,074)</u>	<u>1,167</u>	<u>(9,048)</u>	<u>(9,728)</u>
Capital contributions	12,763	—	—	2,171	14,934
Transfers in	40	—	—	11,865	11,905
Transfers out	(131)	—	—	—	(131)
Change in net position	<u>11,899</u>	<u>(1,074)</u>	<u>1,167</u>	<u>4,988</u>	<u>16,980</u>
Net position – January 1	<u>27,078</u>	<u>3,306</u>	<u>28,961</u>	<u>39,211</u>	<u>98,556</u>
Net position – December 31	<u>\$ 38,977</u>	<u>2,232</u>	<u>30,128</u>	<u>44,199</u>	<u>115,536</u>

DID YOU KNOW

In 2020, Community Services hosted three Georgia Grown to Go drive-thru farmer's markets in partnership with the Georgia Department of Agriculture. The County purchased 40,241 boxes of Georgia Grown produce, which were distributed to 140,485 residents through community partners.

OTHER ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS

Year Ended December 31, 2020

(in thousands of dollars)

	Airport	Economic Development	Solid Waste	Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 932	2,156	43,015	600	46,703
Cash payments to suppliers for goods and services	(208)	(1,945)	(40,988)	(19,161)	(62,302)
Cash payments to employees for services	(418)	—	(629)	(630)	(1,677)
Cash payments for interfund services	(333)	—	(519)	(433)	(1,285)
Net cash flows provided/(required) by operating activities	(27)	211	879	(19,624)	(18,561)
CASH FLOWS FROM NONCAPITAL FINANCIAL ACTIVITIES:					
Operating grants	—	—	—	7,183	7,183
Transfers from other funds	40	—	—	11,865	11,905
Net cash provided by noncapital activities	40	—	—	19,048	19,088
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants received	2,627	—	—	2,171	4,798
Acquisition and construction of capital assets	(13,466)	—	—	(2,149)	(15,615)
Increase in due to other funds	8,587	—	—	—	8,587
Proceeds from the sale of capital assets	2	—	—	—	2
Principal payments – revenue bonds	—	(1,290)	—	—	(1,290)
Interest paid	—	(1,258)	—	—	(1,258)
Net cash provided/(required) by capital and related financing activities	(2,250)	(2,548)	—	22	(4,776)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from the sale of investments	—	—	25,529	3,909	29,438
Purchase of investments	—	—	(6,403)	(4,057)	(10,460)
Investment earnings	13	12	560	129	714
Net cash provided/(required) by investing activities	13	12	19,686	(19)	19,692
Net increase (decrease) in cash and cash equivalents	(2,224)	(2,325)	20,565	(573)	15,443
Cash and cash equivalents at beginning of year	2,224	2,495	37,169	8,537	50,425
Cash and cash equivalents at end of year	\$ —	170	57,734	7,964	65,868

continued...

OTHER ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS – Continued

	Airport	Economic Development	Solid Waste	Transit	Total
Reconciliation of operating income (loss) to net cash provided/(required) by operating activities:					
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating income (loss)	\$ (788)	163	287	(22,918)	(23,256)
Adjustments to reconcile operating income (loss) to net cash provided/(required) by operating activities:					
Depreciation	508	—	6	3,397	3,911
CHANGE IN ASSETS AND LIABILITIES:					
Changes in net pension liability and related deferred inflows of resources	8	—	—	14	22
Changes in net OPEB liability and related deferred inflows (outflows) of resources	(1)	—	2	(2)	(1)
(Increase) decrease in receivables	(22)	64	(601)	(540)	(1,099)
(Increase) in prepaids	—	—	—	(41)	(41)
Increase (decrease) in payables	268	(16)	319	494	1,065
Increase in unearned revenue	—	—	872	—	872
(Decrease) in other liabilities	—	—	(6)	(28)	(34)
Net cash provided/(required) by operating activities	<u>\$ (27)</u>	<u>211</u>	<u>879</u>	<u>(19,624)</u>	<u>(18,561)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Increase in amounts due from other governments	10,136	—	—	6,405	16,541
(Gain) loss on disposal of capital assets	(2)	—	—	1	(1)
(Decrease) in accrued interest	—	(13)	—	—	(13)
Non-cash increase (decrease) in fair value of investments not classified as cash and cash equivalents	—	(4)	320	154	470
Non-cash capital contributed (to) other funds	(131)	—	—	—	(131)



INTERNAL
SERVICE
FUNDS

INTERNAL SERVICE FUNDS

Group Self-Insurance Fund

The Group Self-Insurance Fund accounts for all financial transactions related to the payment of premiums and benefits for active employees' health, disability, and life insurance. Revenues are received from employee and employer contributions.

Risk Management Fund

The Risk Management Fund accounts for all financial transactions related to the County's payment of workers' compensation claims and property liability and casualty insurance. Revenues are received from charges to the user departments based on the number of employees, prior claims, and property liability coverage needs.

Fleet Management Fund

The Fleet Management Fund accounts for all financial transactions related to the maintenance of the County fleet. Revenues are derived from charges to the user departments for fuel, maintenance, repair, and insurance, plus a fixed flat rate surcharge per vehicle per month.

Auto Liability Fund

The Auto Liability Fund accounts for all financial transactions related to the County's property, liability, and casualty insurance coverage on vehicles. Revenues are contributions from other Gwinnett County funds and are based on the number of employees and actual third party automobile claims for County vehicles only.

Administrative Support Fund

The Administrative Support Fund accounts for the activities of all central support departments: County Administration (excluding the County Clerk, Community Outreach, Economic Development, Gwinnett Clean & Beautiful, and Internal Audit), Financial Services (excluding the Tax Assessor), Human Resources, Information Technology Services, Law, and Support Services. These activities are funded by indirect cost charges to all other funds receiving benefits.

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET POSITION

December 31, 2020

(in thousands of dollars)

	Group Self- Insurance	Risk Management	Fleet Management	Auto Liability	Administrative Support	Total
ASSETS:						
Current assets:						
Cash and cash equivalents	\$ 22,238	12,192	1,813	3,256	9,424	48,923
Investments	548	317	—	12	273	1,150
Accounts receivable, net of allowance	75	324	526	2	112	1,039
Inventories	—	—	384	—	—	384
Prepaid items	90	—	12	—	6,942	7,044
Total current assets	22,951	12,833	2,735	3,270	16,751	58,540
Noncurrent assets:						
Investments	14,531	7,500	—	675	5,623	28,329
Construction in progress	—	—	—	—	220	220
Other capital assets, net of depreciation	—	—	81	—	3,102	3,183
Total noncurrent assets	14,531	7,500	81	675	8,945	31,732
Total assets	37,482	20,333	2,816	3,945	25,696	90,272
DEFERRED OUTFLOWS OF RESOURCES:						
Pension-related deferred outflows	1	—	31	—	325	357
OPEB-related deferred outflows	22	10	64	—	861	957
Total deferred outflows of resources	23	10	95	—	1,186	1,314
LIABILITIES:						
Current liabilities:						
Accounts payable	254	203	1,210	16	2,513	4,196
Payroll payable	23	7	53	—	675	758
Accumulated leave benefits – current	54	37	169	—	2,267	2,527
Estimated claims payable – current	4,499	2,057	—	370	—	6,926
Unearned revenue	14	—	—	—	—	14
Total current liabilities	4,844	2,304	1,432	386	5,455	14,421
Noncurrent liabilities:						
Accumulated leave benefits	50	46	144	—	1,666	1,906
Estimated claims payable	—	5,219	—	872	—	6,091
Net pension liability	39	—	1,247	—	13,224	14,510
Net OPEB liability	94	42	277	—	3,726	4,139
Total noncurrent liabilities	183	5,307	1,668	872	18,616	26,646
Total liabilities	5,027	7,611	3,100	1,258	24,071	41,067
DEFERRED INFLOWS OF RESOURCES:						
Pension-related deferred inflows	20	—	647	—	6,864	7,531
OPEB-related deferred inflows	71	32	210	—	2,824	3,137
Total deferred inflows of resources	91	32	857	—	9,688	10,668
NET POSITION:						
Investment in capital assets	—	—	81	—	3,322	3,403
Unrestricted	32,387	12,700	(1,127)	2,687	(10,199)	36,448
Total net position	\$ 32,387	12,700	(1,046)	2,687	(6,877)	39,851

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

Year Ended December 31, 2020

(in thousands of dollars)

	Group Self- Insurance	Risk Management	Fleet Management	Auto Liability	Administrative Support	Total
OPERATING REVENUES:						
Charges to other funds	\$ 62,852	10,350	7,189	2,250	82,115	164,756
Employee contributions	8,240	—	—	—	—	8,240
Miscellaneous	660	142	320	—	403	1,525
Total operating revenues	<u>71,752</u>	<u>10,492</u>	<u>7,509</u>	<u>2,250</u>	<u>82,518</u>	<u>174,521</u>
OPERATING EXPENSES:						
Vehicle maintenance and repair	—	—	3,795	—	—	3,795
Benefit claims	31,608	7,358	—	125	—	39,091
Insurance premiums	30,766	3,141	—	—	—	33,907
Depreciation and amortization	—	—	8	—	737	745
General and administrative	7,785	2,079	3,829	139	72,945	86,777
Total operating expenses	<u>70,159</u>	<u>12,578</u>	<u>7,632</u>	<u>264</u>	<u>73,682</u>	<u>164,315</u>
Operating income (loss)	<u>1,593</u>	<u>(2,086)</u>	<u>(123)</u>	<u>1,986</u>	<u>8,836</u>	<u>10,206</u>
NON-OPERATING REVENUES:						
Investment earnings	770	366	—	43	313	1,492
Gain on disposal of capital asset	—	—	32	—	—	32
Total non-operating revenues	<u>770</u>	<u>366</u>	<u>32</u>	<u>43</u>	<u>313</u>	<u>1,524</u>
Income (loss) before transfers	<u>2,363</u>	<u>(1,720)</u>	<u>(91)</u>	<u>2,029</u>	<u>9,149</u>	<u>11,730</u>
Transfers out	<u>—</u>	<u>—</u>	<u>(884)</u>	<u>—</u>	<u>(400)</u>	<u>(1,284)</u>
Change in net position	<u>2,363</u>	<u>(1,720)</u>	<u>(975)</u>	<u>2,029</u>	<u>8,749</u>	<u>10,446</u>
Net position – January 1	<u>30,024</u>	<u>14,420</u>	<u>(71)</u>	<u>658</u>	<u>(15,626)</u>	<u>29,405</u>
Net position – December 31	<u>\$ 32,387</u>	<u>12,700</u>	<u>(1,046)</u>	<u>2,687</u>	<u>(6,877)</u>	<u>39,851</u>

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS

**Year Ended
December 31, 2020**

(in thousands of dollars)

	Group Self- Insurance	Risk Management	Fleet Management	Auto Liability	Administrative Support	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash received from customers	\$ 71,814	10,519	8,103	2,271	82,583	175,290
Cash payments to suppliers for goods and services	(8,282)	(1,623)	(1,790)	(153)	(29,904)	(41,752)
Cash payments to employees for services	(1,144)	(464)	(3,883)	—	(45,857)	(51,348)
Cash payments for interfund services	(440)	(875)	(2,148)	(22)	(813)	(4,298)
Claims and premiums paid	(60,881)	(11,519)	—	(1,644)	—	(74,044)
Net cash flows provided/(required) by operating activities	<u>1,067</u>	<u>(3,962)</u>	<u>282</u>	<u>452</u>	<u>6,009</u>	<u>3,848</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers (to) other funds	—	—	(884)	—	(400)	(1,284)
Net cash (required) by noncapital activities	<u>—</u>	<u>—</u>	<u>(884)</u>	<u>—</u>	<u>(400)</u>	<u>(1,284)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from sale of assets	—	—	32	—	—	32
Acquisition and construction of capital assets	—	—	—	—	(1,666)	(1,666)
Net cash provided/(required) by capital and related financing activities	<u>—</u>	<u>—</u>	<u>32</u>	<u>—</u>	<u>(1,666)</u>	<u>(1,634)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Proceeds from the sale of investments	15,826	10,091	—	2,000	1,149	29,066
Purchase of investments	(8,958)	(4,002)	—	(300)	—	(13,260)
Investment earnings	444	148	—	48	202	842
Net cash provided by investing activities	<u>7,312</u>	<u>6,237</u>	<u>—</u>	<u>1,748</u>	<u>1,351</u>	<u>16,648</u>
Net increase/(decrease) in cash and cash equivalents	8,379	2,275	(570)	2,200	5,294	17,578
Cash and cash equivalents at beginning of year	<u>13,859</u>	<u>9,917</u>	<u>2,383</u>	<u>1,056</u>	<u>4,130</u>	<u>31,345</u>
Cash and cash equivalents at end of year	<u>\$ 22,238</u>	<u>12,192</u>	<u>1,813</u>	<u>3,256</u>	<u>9,424</u>	<u>48,923</u>

continued...

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS –

Continued

	Group Self- Insurance	Risk Management	Fleet Management	Auto Liability	Administrative Support	Total
Reconciliation of operating income (loss) to net cash provided/(required) by operating activities:						
CASH FLOWS FROM OPERATING ACTIVITIES:						
Operating income (loss)	\$ 1,593	(2,086)	(123)	1,986	8,836	10,206
Adjustments to reconcile operating income (loss) to net cash provided/(required) by operating activities:						
Depreciation	–	–	8	–	737	745
CHANGE IN ASSETS AND LIABILITIES:						
Changes in net pension liability and related deferred outflows of resources	(34)	(23)	94	–	(777)	(740)
Changes in net OPEB liability and related deferred outflows of resources	(9)	(8)	(44)	–	(369)	(430)
Decrease in receivables	60	27	594	21	65	767
Decrease in inventories	–	–	127	–	–	127
(Increase) decrease in prepaids	–	–	6	–	(2,090)	(2,084)
Increase (decrease) in payables	(1,582)	14	(292)	(14)	294	(1,580)
Increase (decrease) in other liabilities	1,039	(1,886)	(88)	(1,541)	(687)	(3,163)
Net cash provided/(required) by operating activities	<u>\$ 1,067</u>	<u>(3,962)</u>	<u>282</u>	<u>452</u>	<u>6,009</u>	<u>3,848</u>
Non-cash increase (decrease) in fair value of investments not classified as cash and cash equivalents	326	219	–	(5)	111	651



FIDUCIARY FUNDS

FIDUCIARY FUNDS

Trust Funds

Defined Benefit Pension Plan

The County established the Gwinnett County Defined Benefit Plan as a single-employer, locally-governed plan for the benefit of its employees and other eligible individuals as provided for in the Plan Document.

Other Post-Employment Benefit (OPEB) Plan

The trust was established by the Board of Commissioners to pre-fund medical and prescription drug benefits for retirees and other former employees (and their eligible dependents) who are eligible for such benefits under existing County policy.

Custodial Funds

Tax Commissioner

To account for the collection of property taxes and motor vehicle tag and title fees, which are disbursed to various taxing units.

Clerk of Courts

To account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, fees, civil awards, etc., which are disbursed to other parties.

Recorder's Court

To account for the collection of various fines and forfeitures (mostly traffic violations), which are disbursed to other parties.

Sheriff

To account for the collection of cash bonds, fines, seizures, forfeitures, fifas, etc., which are disbursed to other parties.

Probate Court

To account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc., which are disbursed to other parties.

Juvenile Court

To account for the collection of probation supervision fees, which are disbursed to other parties.

Corrections

To account for funds being held on an inmate's behalf, which are disbursed to other parties on behalf of the inmate.

District Attorney

To account for the collection of seizures, which are disbursed to other parties.

PENSION AND OPEB TRUST FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION

December 31, 2020

(in thousands of dollars)

	<u>Pension</u>	<u>OPEB</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 50,706	6,932	57,638
Investments, at fair value:			
U.S. treasury bonds	54,637	7,947	62,584
Asset-backed securities	13,167	1,915	15,082
U.S. governmental agencies	41,742	6,072	47,814
Commercial mortgage-backed securities	13,371	1,945	15,316
Futures contracts	(46)	(7)	(53)
Corporate bonds	134,945	19,629	154,574
Collateralized mortgage obligations	16,072	2,338	18,410
Corporate equities	761,488	110,766	872,254
International equities	183,065	26,629	209,694
Preferred stock	230	33	263
Total investments	<u>1,218,671</u>	<u>177,267</u>	<u>1,395,938</u>
Securities lending collateral investment pool	31,675	4,608	36,283
Contributions receivable from employer	—	540	540
Prepaid benefit payments	6,983	—	6,983
Total assets	<u>1,308,035</u>	<u>189,347</u>	<u>1,497,382</u>
LIABILITIES:			
Accounts payable	1,113	2,285	3,398
Liability for securities lending agreement	31,675	4,608	36,283
Total liabilities	<u>32,788</u>	<u>6,893</u>	<u>39,681</u>
Net position – restricted for pension and OPEB	<u>\$ 1,275,247</u>	<u>182,454</u>	<u>1,457,701</u>

PENSION AND OPEB TRUST FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended December 31, 2020

(in thousands of dollars)

	<u>Pension</u>	<u>OPEB</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Employer	\$ 46,767	10,698	57,465
Employee	6,289	—	6,289
Total contributions	<u>53,056</u>	<u>10,698</u>	<u>63,754</u>
Investment income:			
Net increase in the fair value of investments	135,541	20,135	155,676
Securities lending income	57	8	65
Interest and dividends	21,887	3,214	25,101
Total investment income	<u>157,485</u>	<u>23,357</u>	<u>180,842</u>
Investment expense	(4,413)	(647)	(5,060)
Securities lending expense	(10)	(1)	(11)
Net investment income	<u>153,062</u>	<u>22,709</u>	<u>175,771</u>
Total increases	<u>206,118</u>	<u>33,407</u>	<u>239,525</u>
DEDUCTIONS:			
Benefits paid	79,248	11,259	90,507
Insurance premiums	—	2,488	2,488
Administrative expenses	789	571	1,360
Total deductions	<u>80,037</u>	<u>14,318</u>	<u>94,355</u>
Net increase in fiduciary net position	126,081	19,089	145,170
Net position – restricted for pension and OPEB			
Beginning of year	<u>1,149,166</u>	<u>163,365</u>	<u>1,312,531</u>
End of year	<u>\$ 1,275,247</u>	<u>182,454</u>	<u>1,457,701</u>

CUSTODIAL FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION

December 31, 2020

(in thousands of dollars)

	<u>Tax Commissioner</u>	<u>Clerk of Courts</u>	<u>Recorder's Court</u>	<u>Sheriff</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>Corrections</u>	<u>District Attorney</u>	<u>Total</u>
ASSETS:									
Cash and cash equivalents	\$ 20,401	33,504	1,219	1,245	869	2	26	660	57,926
Taxes receivable	47,194	—	—	—	—	—	—	—	47,194
Total assets	<u>\$ 67,595</u>	<u>33,504</u>	<u>1,219</u>	<u>1,245</u>	<u>869</u>	<u>2</u>	<u>26</u>	<u>660</u>	<u>105,120</u>
LIABILITIES:									
Due to others	\$ 67,595	15,757	1,219	515	869	2	—	—	85,957
Total liabilities	<u>\$ 67,595</u>	<u>15,757</u>	<u>1,219</u>	<u>515</u>	<u>869</u>	<u>2</u>	<u>—</u>	<u>—</u>	<u>85,957</u>
NET POSITION:									
Restricted for individuals, organizations, and other governments	<u>\$ —</u>	<u>17,747</u>	<u>—</u>	<u>730</u>	<u>—</u>	<u>—</u>	<u>26</u>	<u>660</u>	<u>19,163</u>

CUSTODIAL FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended December 31, 2020

(in thousands of dollars)

	<u>Tax Commissioner</u>	<u>Clerk of Courts</u>	<u>Recorder's Court</u>	<u>Sheriff</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>Corrections</u>	<u>District Attorney</u>	<u>Total</u>
ADDITIONS:									
Taxes collected for other agencies	\$ 1,530,337	—	—	—	—	—	—	—	1,530,337
Court fees collected for other agencies	—	62,911	7,827	—	3,115	85	—	—	73,938
Court individual cases	—	17,056	—	—	—	—	—	—	17,056
Sheriff fees collected	—	—	—	6,373	—	—	—	—	6,373
Sheriff inmate account deposits	—	—	—	3,809	—	—	—	—	3,809
Corrections inmate account deposits	—	—	—	—	—	—	376	—	376
Seized assets	—	—	—	733	—	—	—	889	1,622
Total additions	\$ 1,530,337	79,967	7,827	10,915	3,115	85	376	889	1,633,511
DEDUCTIONS:									
Payments of court fees to other agencies	\$ —	62,911	7,827	—	3,115	85	—	—	73,938
Payments to others	—	8,338	—	—	—	—	—	—	8,338
Payments of taxes to other agencies	1,530,337	—	—	—	—	—	—	—	1,530,337
Payments of Sheriff fees to agencies	—	—	—	6,373	—	—	—	—	6,373
Payments from inmates to others	—	—	—	3,621	—	—	384	—	4,005
Distribution of seized assets	—	—	—	443	—	—	—	229	672
Total deductions	\$ 1,530,337	71,249	7,827	10,437	3,115	85	384	229	1,623,663
Net increase (decrease) in fiduciary net position	—	8,718	—	478	—	—	(8)	660	9,848
Beginning of year	\$ —	9,029	—	252	—	—	34	—	9,315
End of year	\$ —	17,747	—	730	—	—	26	660	19,163



STATISTICAL SECTION

STATISTICAL SECTION

(Unaudited)

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

Index

Financial Trends

These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time S2 – S6

Revenue Capacity

These schedules contain information to help the reader assess the County’s most significant local revenue source: property tax S7 – S10

Debt Capacity

These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue debt in the future S11 – S15

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place S16 – S17

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs S18 – S20

Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.

NET POSITION BY COMPONENTS – LAST 10 FISCAL YEARS

(accrual basis of accounting in thousands of dollars)

	2011 ⁽¹⁾	2012*	2013	2014 ⁽²⁾	2015 ⁽³⁾	2016 ⁽³⁾	2017 ⁽⁴⁾	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 2,277,439	2,320,301	2,348,661	2,353,452	2,318,384	2,375,340	2,396,352	2,420,755	2,493,968	2,560,271
Restricted	365,299	398,100	526,551	617,049	629,259	626,890	840,078	764,072	755,674	847,761
Unrestricted	491,493	510,907	478,218	286,312	294,332	272,872	26,735	158,470	176,127	209,120
Total governmental activities net position	3,134,231	3,229,308	3,353,430	3,256,813	3,241,975	3,275,102	3,263,165	3,343,297	3,425,769	3,617,152
Business-type activities										
Net investment in capital assets	2,592,634	2,614,293	2,664,664	2,718,527	2,790,538	2,949,587	3,059,003	3,240,775	3,463,383	3,648,790
Restricted	38,926	25,392	24,375	25,201	27,043	27,968	32,970	27,355	25,869	27,900
Unrestricted	190,964	235,397	221,920	247,511	309,121	324,551	356,063	345,627	320,905	313,912
Total business-type activities net position	2,822,524	2,875,082	2,910,959	2,991,239	3,126,702	3,302,106	3,448,036	3,613,757	3,810,157	3,990,602
Primary government										
Net investment in capital assets	4,870,073	4,934,594	5,013,325	5,071,979	5,108,922	5,324,927	5,455,355	5,661,530	5,957,351	6,209,061
Restricted	404,225	423,492	550,926	642,250	656,302	654,858	873,048	791,427	781,543	875,661
Unrestricted	682,457	746,304	700,138	533,823	603,453	597,423	382,798	504,097	497,032	523,032
Total primary government net position	\$ 5,956,755	6,104,390	6,264,389	6,248,052	6,368,677	6,577,208	6,711,201	6,957,054	7,235,926	7,607,754

1) 2011 balances have been restated to reflect the cumulative effect of applying GASB Statement 65.

2) 2014 balances have been restated to reflect the cumulative effect of applying GASB Statement 68.

3) 2015 and 2016 balances for governmental activities have been restated to reflect the cumulative effect of a change in accounting procedure related to certain major road projects.

4) 2017 balances have been restated to reflect the cumulative effect of applying GASB Statement 75.

CHANGES IN NET POSITION – LAST 10 FISCAL YEARS

(accrual basis of accounting in thousands of dollars)

	2011	2012	2013	2014 ⁽¹⁾	2015 ⁽²⁾	2016 ⁽²⁾	2017 ⁽³⁾	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 97,991	57,690	47,960	64,035	42,338	42,353	46,931	46,360	50,778	62,521
Public safety	193,625	216,808	199,549	265,228	250,029	279,861	313,118	287,516	313,878	298,990
Judiciary	114,896	129,590	124,612	256,675	151,945	168,308	193,508	181,373	189,966	178,878
Public works	60,013	79,129	77,837	134,780	182,686	112,796	115,428	110,798	124,018	132,300
Health and welfare	11,762	7,081	7,634	9,305	9,228	9,707	16,844	14,838	16,044	144,700
Culture and recreation	69,252	67,090	68,905	71,624	77,237	80,377	87,131	91,666	99,407	99,104
Housing and development	18,098	18,908	18,851	28,996	21,601	23,604	22,047	23,110	30,647	36,611
Tourism	2,044	2,069	2,358	2,534	2,773	3,017	3,318	3,707	3,981	4,057
Development authority	4,367	4,947	4,881	4,773	4,622	4,586	5,246	4,571	6,868	7,328
Interest on long-term debt	2,659	1,921	442	460	277	197	191	169	104	2,457
Total governmental activities	574,707	585,233	553,029	838,410	742,736	724,806	803,762	764,108	835,691	966,946
Business-type activities:										
Water and sewer	213,048	236,249	261,693	240,840	239,093	227,738	241,795	239,520	254,803	258,744
Airport	2,359	1,150	2,106	1,448	1,482	1,286	1,372	1,753	1,645	1,713
Economic development	–	–	–	–	–	–	–	405	3,253	3,175
Solid waste	40,438	39,210	41,847	40,117	40,617	41,488	41,765	43,170	38,079	42,415
Stormwater	31,804	27,126	30,375	39,985	28,861	27,057	31,246	28,095	22,954	28,536
Transit	18,235	18,486	17,912	17,647	17,818	17,315	28,321	21,826	22,512	24,006
Total business-type activities	305,884	322,221	353,933	340,037	327,871	314,884	344,499	334,769	343,246	358,589
Total primary government expenses	\$ 880,591	907,454	906,962	1,178,447	1,070,607	1,039,690	1,148,261	1,098,877	1,178,937	1,325,535
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 25,682	8,751	8,778	9,747	10,002	10,750	11,419	12,029	12,619	12,009
Public safety	25,586	32,902	31,987	33,909	37,508	37,394	38,203	39,790	46,799	40,719
Judiciary	30,193	32,087	31,770	30,489	28,933	28,145	28,219	28,619	26,313	23,457
Public works	6,279	6,387	6,914	6,882	6,601	7,239	7,593	7,826	7,770	8,543
Health and welfare	110	23	9	406	3	11	151	162	156	90
Culture and recreation	4,480	4,547	4,419	4,752	4,893	5,105	5,155	5,205	5,385	1,901
Housing and development	7,928	8,457	8,359	8,682	9,646	10,174	9,737	10,385	10,970	11,052
Tourism	–	–	–	–	–	–	–	–	–	1,524
Operating grants and contributions	18,005	16,074	18,050	16,645	8,408	8,783	8,846	10,572	9,388	173,177
Capital grants and contributions	20,193	32,853	13,716	38,529	30,319	33,742	23,365	38,019	44,781	37,420
Total governmental activities program revenues	138,456	142,081	124,002	150,041	136,313	141,343	132,688	152,607	164,181	309,892

continued...

CHANGES IN NET POSITION – LAST 10 FISCAL YEARS

(accrual basis of accounting in thousands of dollars) *continued*

	2011	2012	2013	2014 ⁽¹⁾	2015 ⁽²⁾	2016 ⁽²⁾	2017 ⁽³⁾	2018	2019	2020
Business-type activities:										
Charges for services:										
Water and sewer	260,226	271,289	277,234	299,007	305,974	318,056	311,565	316,082	337,573	336,881
Airport	866	903	859	941	1,034	922	1,001	989	1,072	957
Economic development	—	—	—	—	—	—	—	106	2,859	2,096
Solid waste	41,131	41,929	42,570	42,061	42,677	43,219	43,725	44,438	40,454	42,745
Stormwater	30,494	30,863	30,887	31,182	31,226	31,587	31,902	29,365	30,111	29,778
Transit	5,011	4,845	4,719	4,212	4,404	3,655	2,966	3,279	3,661	1,140
Operating grants and contributions	6,605	5,946	6,504	6,391	6,432	5,340	7,422	7,623	6,852	13,588
Capital grants and contributions	17,571	14,209	22,389	29,948	44,405	76,259	73,333	70,672	86,633	94,425
Total business-type activities program revenues	361,904	369,984	385,162	413,742	436,152	479,038	471,914	472,554	509,215	521,610
Total primary government program revenues \$	500,360	512,065	509,164	563,783	572,465	620,381	604,602	625,161	673,396	831,502
Net (expense)/revenue										
Governmental activities	(436,251)	(443,152)	(429,027)	(688,369)	(606,423)	(583,463)	(671,074)	(611,501)	(671,510)	(657,054)
Business-type activities	56,020	47,763	31,229	73,705	108,281	164,154	127,415	137,785	165,969	163,021
Total primary government net expenses \$	(380,231)	(395,389)	(397,798)	(614,664)	(498,142)	(419,309)	(543,659)	(473,716)	(505,541)	(494,033)
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	336,256	324,081	345,499	377,192	382,407	392,669	425,472	446,359	485,073	557,777
Sales taxes	134,752	142,571	138,351	142,480	146,564	150,031	151,800	162,436	172,255	183,774
Other taxes	64,284	64,063	62,822	64,636	74,491	75,392	79,539	80,968	87,980	90,030
Investment income	1,998	1,246	216	3,414	3,130	1,301	5,662	12,028	18,908	10,478
Miscellaneous	11,588	10,260	10,536	9,192	10,154	7,656	10,910	9,462	7,986	18,140
Transfers	(5,161)	(3,992)	(4,275)	(5,162)	(25,161)	(10,459)	(14,246)	(19,621)	(18,220)	(11,762)
Total governmental activities	543,717	538,229	553,149	591,752	591,585	616,590	659,137	691,632	753,982	848,437
Business-type activities:										
Investment income	1,044	803	373	1,413	2,021	791	4,269	8,315	12,211	5,662
Transfers	5,161	3,992	4,275	5,162	25,161	10,459	14,246	19,621	18,220	11,762
Total business-type activities	6,205	4,795	4,648	6,575	27,182	11,250	18,515	27,936	30,431	17,424
Total primary government	\$ 549,922	543,024	557,797	598,327	618,767	627,840	677,652	719,568	784,413	865,861
Changes in net position										
Governmental activities	107,466	95,077	124,122	(96,617)	(14,838)	33,127	(11,937)	80,131	82,472	191,383
Business-type activities	62,225	52,558	35,877	80,280	135,463	175,404	145,930	165,721	196,400	180,445
Total primary government	\$ 169,691	147,635	159,999	(16,337)	120,625	208,531	133,993	245,852	278,872	371,828

1) 2014 balances have been restated to reflect the cumulative effect of applying GASB Statement 68.

2) 2015 and 2016 balances for governmental activities have been restated to reflect the cumulative effect of a change in accounting procedure related to certain major road projects.

3) 2017 balances have been restated to reflect the cumulative effect of applying GASB Statement 75.

FUND BALANCES, GOVERNMENTAL FUNDS – LAST 10 FISCAL YEARS

(modified accrual basis of accounting in thousands of dollars)

	2011	2012	2013*	2014	2015	2016	2017	2018	2019	2020
General fund										
Nonspendable	\$ 7,204	2,232	1,499	4,656	4,780	5,115	1,872	1,836	1,424	2,354
Assigned	–	42,636	743	–	16,630	28,478	36,424	42,188	41,968	18,864
Unassigned	164,650	129,503	133,687	138,877	123,809	115,467	115,871	115,218	132,929	152,071
Total general fund	171,854	174,371	135,929	143,533	145,219	149,060	154,167	159,242	176,321	173,289
All other governmental funds										
Nonspendable	217	298	268	1,114	943	896	592	808	1,097	816
Restricted	362,990	396,810	493,340	582,588	590,253	585,678	796,424	890,799	904,290	977,631
Committed	60	62	114	182	204	247	301	329	329	384
Assigned	75,493	78,719	87,515	138,978	202,026	239,828	111,989	99,757	110,991	127,633
Total all other governmental funds	438,760	475,889	581,237	722,862	793,426	826,649	909,306	991,693	1,016,707	1,106,464
Total	\$ 610,614	650,260	717,166	866,395	938,645	975,709	1,063,473	1,150,935	1,193,028	1,279,753

* In fiscal year 2013, a total of \$64 million was transferred from the General Fund to the new Service District Funds to establish fund balance reserves in accordance with County policy and to distribute motor vehicle and supplemental title ad valorem taxes, per state law.

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS – LAST 10 FISCAL YEARS (modified accrual basis of accounting in thousands of dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Taxes	\$ 537,267	539,344	551,441	583,631	600,391	615,229	653,669	688,991	742,144	818,265
Permits and licenses	7,465	8,009	7,895	8,027	8,997	9,402	9,362	10,096	10,404	10,467
Intergovernmental	27,331	45,727	32,955	50,592	36,009	39,489	28,919	40,291	40,595	202,820
Charges for services	75,514	67,125	67,672	67,816	71,926	74,739	76,921	80,119	88,035	78,853
Fines and forfeitures	15,433	16,009	17,082	18,056	15,870	15,144	14,188	13,592	11,539	9,484
Investment income, earnings (losses)	4,936	3,348	(933)	7,603	5,512	3,920	8,148	18,839	29,965	16,818
Miscellaneous	12,450	10,189	10,536	9,204	10,181	7,668	10,982	9,494	8,003	18,244
Total revenues	<u>680,396</u>	<u>689,751</u>	<u>686,648</u>	<u>744,929</u>	<u>748,886</u>	<u>765,591</u>	<u>802,189</u>	<u>861,422</u>	<u>930,685</u>	<u>1,154,951</u>
Expenditures:										
General government	87,267	36,577	39,240	27,133	21,794	27,072	25,681	32,206	28,526	43,642
Public safety	175,397	196,917	187,750	189,916	196,573	214,729	219,514	238,247	253,485	274,000
Judiciary	116,534	129,630	127,275	131,424	133,332	144,553	151,156	160,985	170,505	175,007
Public works	20,007	21,256	20,926	20,763	20,148	22,014	24,080	25,586	29,164	30,558
Health and welfare	11,749	6,787	6,662	6,854	7,227	7,490	11,970	11,701	13,215	13,055
Culture and recreation	44,230	43,015	41,736	43,238	47,229	47,317	51,015	56,215	60,272	63,024
Housing and development	7,890	8,703	8,638	8,814	8,745	9,705	10,248	10,791	15,044	23,496
Tourism	2,044	2,069	2,358	2,534	2,773	3,017	3,318	3,707	3,981	4,057
Development authority	6,057	7,097	7,096	7,618	7,597	7,696	9,068	6,634	11,050	12,025
Grant programs	14,961	12,919	13,358	15,977	13,915	15,111	10,182	13,036	15,627	12,455
CARES Act grant programs	—	—	—	—	—	—	—	—	—	129,226
Capital outlay	130,741	141,153	112,100	103,276	169,637	183,346	145,837	186,621	267,530	285,601
Debt service:										
Principal	11,870	3,380	23,830	3,410	3,480	3,690	3,865	3,960	4,150	—
Interest	2,102	1,845	1,041	765	660	498	402	289	104	1,390
Issuance cost	—	253	—	—	—	—	—	—	—	1,049
Intergovernmental	22,041	35,895	24,569	31,310	34,188	35,947	35,788	38,394	40,795	43,360
Total expenditures	<u>652,890</u>	<u>647,496</u>	<u>616,579</u>	<u>593,032</u>	<u>667,298</u>	<u>722,185</u>	<u>702,124</u>	<u>788,372</u>	<u>913,448</u>	<u>1,111,945</u>
Excess of revenues over expenditures	<u>27,506</u>	<u>42,255</u>	<u>70,069</u>	<u>151,897</u>	<u>81,588</u>	<u>43,406</u>	<u>100,065</u>	<u>73,050</u>	<u>17,237</u>	<u>43,006</u>
Other financing sources/(uses):										
Transfers in	53,766	27,873	91,917	72,364	102,485	69,670	71,954	81,678	66,170	133,261
Transfers out	(32,658)	(30,781)	(95,080)	(75,032)	(111,823)	(76,012)	(84,255)	(91,919)	(83,805)	(143,739)
Issuance of capital lease obligations	—	—	—	—	—	—	—	24,653	42,491	16,299
Bond issuance	—	—	—	—	—	—	—	—	—	38,485
Discount on bond issuance	—	—	—	—	—	—	—	—	—	(587)
Refunding bonds issued	—	25,117	—	—	—	—	—	—	—	—
Payment to refunded bond escrow agent	—	(24,818)	—	—	—	—	—	—	—	—
Total other financing sources/(uses)	<u>21,108</u>	<u>(2,609)</u>	<u>(3,163)</u>	<u>(2,668)</u>	<u>(9,338)</u>	<u>(6,342)</u>	<u>(12,301)</u>	<u>14,412</u>	<u>24,856</u>	<u>43,719</u>
Net change in fund balances	<u>\$ 48,614</u>	<u>39,646</u>	<u>66,906</u>	<u>149,229</u>	<u>72,250</u>	<u>37,064</u>	<u>87,764</u>	<u>87,462</u>	<u>42,093</u>	<u>86,725</u>
Debt service as a percentage of noncapital expenditures	2.7%	1.1%	5.0%	0.9%	0.8%	0.7%	0.7%	0.7%	0.7%	0.3%

ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY – LAST 10 FISCAL YEARS

Fiscal Year Ended Dec. 31,	Real Property			Personal Property		Less: Tax Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate	Total Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Other Real Property	Motor Vehicle	Other*					
2011	16,141,004,129	6,740,985,809	230,889,940	2,014,195,700	3,775,921,060	3,916,558,267	24,986,438,371	13.02	62,466,095,928	40%
2012	14,858,737,855	6,546,141,287	225,585,016	2,024,864,660	3,983,958,784	3,767,877,476	23,871,410,126	13.02	59,678,525,315	40%
2013	14,215,494,500	6,457,814,268	151,416,160	2,200,695,020	4,107,670,330	3,512,324,663	23,620,765,615	13.75	59,051,914,038	40%
2014	16,530,395,594	6,737,358,484	142,032,680	1,922,687,330	4,158,438,790	3,949,354,590	25,541,558,288	13.75	63,853,895,720	40%
2015	17,575,161,918	6,827,667,400	160,244,240	1,328,959,020	4,238,594,330	4,227,074,580	25,903,552,328	13.579	64,758,880,820	40%
2016	19,585,024,960	7,387,717,040	157,454,560	961,326,070	4,309,871,780	4,856,760,519	27,544,633,891	13.176	68,861,584,728	40%
2017	21,620,691,612	7,811,774,198	151,797,560	688,112,200	4,535,140,350	5,641,260,810	29,166,255,110	13.51	72,915,637,775	40%
2018	23,515,611,592	8,165,176,416	145,987,480	500,284,080	4,613,616,127	6,271,577,373	30,669,098,322	13.319	76,672,745,805	40%
2019	25,679,948,762	9,129,442,334	130,833,560	392,149,700	4,895,898,853	7,216,872,968	33,011,400,241	13.319	82,528,500,603	40%
2020	27,545,489,262	10,015,708,742	138,665,038	309,788,180	5,102,202,935	7,976,469,764	35,135,384,393	14.71	87,838,460,983	40%

Source: General Fund information from Gwinnett County Budget Division and Gwinnett County Tax Commissioner

* Includes mobile homes

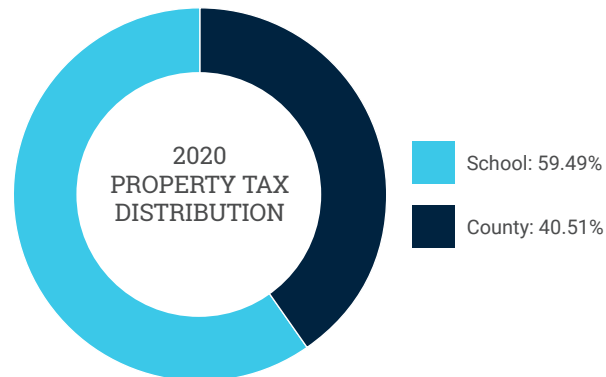
Note: The 2020 Certified Digest does not account for tax appeals that are currently outstanding.

DIRECT AND OVERLAPPING PROPERTY TAX RATES – LAST 10 FISCAL YEARS

(Rate per \$1,000 of Assessed Value)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund	11.78	11.78	7.40	7.40	7.229	6.826	7.40	7.209	7.209	6.95
Fire and EMS District	–	–	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Police Services District	–	–	1.60	1.60	1.60	1.60	1.60	1.60	1.60	2.90
Development and Enforcement District	–	–	0.36	0.36	0.36	0.36	0.36	0.36	0.36	0.36
Recreation District	1.00	1.00	0.95	0.95	0.95	0.95	0.95	0.95	0.95	1.00
Economic Development	–	–	–	–	–	–	–	–	–	0.30
G.O. Bond Fund II	0.24	0.24	0.24	0.24	0.24	0.24	–	–	–	–
Total County Tax	13.02	13.02	13.75	13.75	13.579	13.176	13.51	13.319	13.319	14.71
School M & O	19.25	19.25	19.80	19.80	19.80	19.80	19.80	19.80	19.70	19.70
School Bonds	1.30	1.30	2.05	2.05	2.05	2.05	2.05	1.95	1.90	1.90
Total School Tax	20.55	20.55	21.85	21.85	21.85	21.85	21.85	21.75	21.60	21.60
State Government	0.25	0.20	0.15	0.10	0.05	–	–	–	–	–
Total Property Tax	33.82	33.77	35.75	35.70	35.479	35.026	35.36	35.069	34.919	36.31

Source: Budget Division – Tax Levy Resolution



PRINCIPAL PROPERTY TAX PAYERS – CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2020			2011		
	Taxable Assessed Value ⁽¹⁾	Rank	Percentage of Total Taxable Assessed Value ⁽²⁾	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Mall of Georgia, LLC	\$ 116,558,200	1	0.33%	\$ 80,697,720	5	0.32%
Georgia Power	88,671,760	2	0.25%	123,487,640	1	0.49%
Jackson EMC	65,987,240	3	0.19%	69,748,360	7	0.28%
Atlanta Gas Light	41,215,120	4	0.12%	39,925,440	8	0.16%
Cisco Systems, formerly Scientific Atlanta, Inc.	38,400,000	5	0.11%	80,607,380	6	0.32%
Publix	38,000,000	6	0.11%	121,863,101	2	0.49%
Georgia Transmission Corporation	32,106,200	7	0.09%	37,356,360	10	0.15%
Sugarloaf Mills LTD Partnership	32,000,000	8	0.09%	—	—	—
PARC at 980 LP	30,200,000	9	0.09%	—	—	—
Century Park Owner LP	30,124,920	10	0.09%	—	—	—
Walmart				101,148,266	3	0.40%
AT&T				98,060,010	4	0.39%
LA Forum Peachtree LLC				39,000,000	9	0.16%

Sources: 1) Tax Assessor's Office.

2) The final tax digest dated 2/16/2021, which is the state certified digest updated with additional adjustments made during the year.

PROPERTY TAX LEVIES AND COLLECTIONS – LAST 10 FISCAL YEARS

Fiscal Year Ended Dec. 31,	Taxes Levied for the Fiscal Year ⁽¹⁾⁽²⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy ⁽³⁾		Amount	Percentage of Levy
2011	795,290,766	755,883,258	95.1%	39,407,226	795,290,484	100.0%
2012	750,591,492	722,927,859	96.4%	27,604,013	750,531,872	100.0%
2013	762,426,846	741,172,382	97.7%	21,062,496	762,234,878	100.0%
2014	841,268,369	818,211,594	97.5%	22,742,725	840,954,319	100.0%
2015	871,219,436	850,819,073	98.1%	19,953,761	870,772,834	99.9%
2016	936,078,663	911,155,811	97.8%	24,093,225	935,249,036	99.9%
2017	1,018,008,008	990,547,713	97.4%	25,987,608	1,016,535,321	99.9%
2018	1,072,397,462	1,044,486,574	97.3%	25,605,800	1,070,092,374	99.8%
2019	1,161,391,279	1,127,335,834	97.3%	27,903,991	1,155,239,825	99.5%
2020	1,272,599,920	1,200,911,661	94.4%	—	1,200,911,661	94.4%

1) Reflects original digest net of all digest corrections to date.

2) Includes County, School Board, and State tax only. State rate ended in 2015. Street Lights, Speed Humps, Stormwater, and Solid Waste assessments not included.

3) Percentages are based on the original tax levy without taking into account subsequent digest corrections.

RATIOS OF OUTSTANDING DEBT BY TYPE – LAST 10 FISCAL YEARS

(in thousands of dollars except Population and Net Bonded Debt Per Capita)

Fiscal Year Ended Dec. 31,	Governmental Activities						
	Population ⁽¹⁾	Net General Obligation Bonds ⁽²⁾	Percentage of Assessed Property Value ⁽³⁾	Per Capita	Lease Payable ⁽²⁾	Economic Development Contract Payable ⁽²⁾	Tax Allocation District Revenue Bonds ⁽²⁾
2011	822,407	29,629	0.21%	36.03	94,730	—	—
2012 ⁽⁵⁾	836,854	22,908	0.20%	27.37	92,580	—	—
2013	853,496	13,306	0.10%	15.59	90,365	—	—
2014	871,052	7,386	0.08%	8.48	87,520	—	—
2015	888,597	1,000	0.06%	1.13	84,545	—	—
2016	905,291	—	—	—	81,435	—	—
2017	918,681	—	—	—	78,175	—	—
2018	928,072	—	—	—	99,399	—	—
2019	937,399	—	—	—	137,934	—	—
2020	942,627	—	—	—	150,123	67,685	37,916

Fiscal Year Ended Dec. 31,	Business-Type Activities		Total Primary Government	Percentage of Personal Income ⁽⁴⁾	Per Capita
	Revenue Bonds ⁽²⁾	Notes Payable ⁽²⁾			
2011	1,014,337	55,103	1,193,799	4.31%	1,451.59
2012 ⁽⁵⁾	961,500	52,750	1,129,738	3.93%	1,349.98
2013	899,277	50,347	1,053,295	3.53%	1,234.09
2014	835,777	47,872	978,555	3.07%	1,123.42
2015	769,492	45,320	900,357	2.65%	1,013.23
2016	709,546	42,691	833,672	2.38%	920.89
2017	638,230	39,983	756,388	2.06%	823.34
2018	600,816	37,192	737,407	1.91%	794.56
2019	534,153	34,316	706,403	1.76%	753.58
2020	663,693	31,352	950,769	Not yet available	1,008.64

Sources:

- 1) U.S. Census Bureau midyear population estimates. Estimates for 2011 – 2020 reflect county population estimates released May 2021 (new estimate for 2020; revised estimates for 2011 – 2019).
- 2) Debt information from Comprehensive Annual Financial Report financial statements and Note 8 to the Financial Statements. General Obligation Bond Debt is reported net of amounts in the debt service fund available to repay the principal.
- 3) Total taxable assessed value used in this calculation obtained from the Gwinnett County Tax Commissioner.
- 4) Personal income data from the U.S. Bureau of Economic Analysis, website visited May 5, 2021 (personal income data last updated November 17, 2020 – new statistics for 2019; revised statistics for 2011 – 2018). Per capita personal income calculated based on the U.S. Census Bureau's midyear population estimates.
- 5) GASB 63 and 65 were implemented in 2012; therefore deferred losses on refundings are no longer included.

LEGAL DEBT MARGIN INFORMATION – LAST 10 FISCAL YEARS

(in thousands of dollars)

	Fiscal Year Ended December 31,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 2,498,644	2,387,141	2,362,077	2,554,156	2,590,355	2,754,463	2,916,626	3,066,910	3,301,140	3,513,538
Total net debt applicable to limit	24,102	17,493	12,197	6,193	—	—	—	—	—	—
Legal debt margin	2,474,542	2,369,648	2,349,880	2,547,963	2,590,355	2,754,463	2,916,626	3,066,910	3,301,140	3,513,538
Total net debt applicable to the limit as a percentage of debt limit	1.0%	0.7%	0.5%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legal debt margin calculation for fiscal year 2020

Assessed value	\$ 35,135,380
Debt limit (10%) of assessed value	3,513,538
Debt applicable to limit:	
General obligation bonds	—
Less: amount set aside for repayment of general obligation debt	—
Total net debt applicable to limit	—
Legal debt margin	<u>\$ 3,513,538</u>

PLEDGED-REVENUE COVERAGE – WATER AND SEWERAGE – LAST 10 FISCAL YEARS

(in thousands of dollars)

Fiscal Year	Operating Revenue	Less: Operating Expenses ⁽¹⁾	Plus: Investment Income and Other ⁽²⁾	Net Revenue Available	Debt Service			Coverage	Required Coverage
					Principal	Interest	Total		
2011	261,893	106,328	542	156,107	45,305	40,029	85,334	1.83	1.2
2012	271,875	109,574	556	162,857	47,250	41,398	88,648	1.84	1.2
2013	277,234	111,531	355	166,058	57,035	39,357	96,392	1.72	1.2
2014	299,007	108,637	868	191,238	58,955	37,055	96,010	1.99	1.2
2015	305,974	106,028	1,426	201,372	61,050	33,293	94,343	2.13	1.2
2016	318,056	120,834	272	197,494	65,430	24,006	89,436	2.21	1.2
2017	311,565	117,633	3,281	197,213	67,940	21,100	89,040	2.21	1.2
2018	316,082	121,595	6,454	200,941	69,900	18,960	88,860	2.26	1.2
2019	337,573	143,144	9,056	203,485	56,300	16,909	73,209	2.78	1.2
2020	336,881	154,586	3,878	186,173	55,330	15,202	70,532	2.64	1.2

Notes: 1) Operating expenses other than interest on debt, depreciation, and amortization.

2) Excludes gain or loss on capital assets.

SUMMARY OF COUNTY DIRECT AND OVERLAPPING DEBT BY CATEGORY

(in thousands of dollars)

Jurisdiction	Gross Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Direct debt:			
Gwinnett County TAD bonds payable	\$ 38,485	100.00%	\$ 38,485
Gwinnett County economic development contract payable	67,685	100.00%	67,685
Gwinnett County lease payable	150,123	100.00%	150,123
Total direct debt	256,293		256,293
Overlapping debt:			
Gwinnett County School District: ⁽²⁾			
General obligation bonds	1,110,984	100.00%	1,110,984
Certificates of participation	110,169	100.00%	110,169
Total Gwinnett County School District	1,221,153		1,221,153
Municipalities within Gwinnett County: ⁽³⁾			
Auburn: Capital leases	134	3.00%	4
Notes payable	223	3.00%	7
Total Auburn	357		11
Braselton: Revenue bonds payable	14,264	40.07%	5,716
Buford: General obligation bonds	64,728	92.42%	59,822
Duluth: Financed purchases payable	186	100.00%	186
Lawrenceville: Revenue bonds	3,895	100.00%	3,895
Capital lease payable	15	100.00%	15
Total Lawrenceville	3,910		3,910
Lilburn: Note payable	3,083	100.00%	3,083
Loganville: Note payable	1,426	23.75%	339
Capital leases payable	731	23.75%	174
Total Loganville	2,157		513

continued...

SUMMARY OF COUNTY DIRECT AND OVERLAPPING DEBT BY CATEGORY

(in thousands of dollars) *continued*

Jurisdiction	Gross Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Norcross: Bonds payable	5,990	100.00%	5,990
Capital lease payable	364	100.00%	364
Contracts payable	348	100.00%	348
Total Norcross	6,702		6,702
Peachtree Corners: Revenue bond	7,175	100.00%	7,175
Certificates of participation	7,355	100.00%	7,355
Total Peachtree Corners	14,530		14,530
Snellville: Revenue bonds	1,466	100.00%	1,466
Capital leases	521	100.00%	521
Total Snellville	1,987		1,987
Sugar Hill: Landfill closure/postclosure	1,015	100.00%	1,015
Suwanee: General obligation bonds payable	9,835	100.00%	9,835
Revenue bonds payable	26,923	100.00%	26,923
Total Suwanee	36,758		36,758
Total municipalities within Gwinnett County	149,677		134,233
Subtotal, overlapping debt	1,370,830		1,355,386
Total direct and overlapping debt	\$ 1,627,123		\$ 1,611,679

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

1) Based upon the percentage of the municipality's population within Gwinnett County (Source: U.S. Census Bureau's July 31, 2019 population estimates).

2) Based upon the Gwinnett County Board of Education's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020.

3) Based upon individual city's audit information for the fiscal year ended 2019.

DEMOGRAPHIC AND ECONOMIC STATISTICS – LAST 10 FISCAL YEARS

Year	Population⁽¹⁾	Personal Income (amounts expressed in thousands)⁽²⁾	Per Capita Personal Income	Unemployment Rate⁽³⁾
2011	822,407	\$ 27,721,884	\$ 33,708	8.6%
2012	836,854	\$ 28,730,169	\$ 34,331	7.6%
2013	853,496	\$ 29,822,834	\$ 34,942	6.8%
2014	871,052	\$ 31,836,057	\$ 36,549	6.1%
2015	888,597	\$ 33,984,430	\$ 38,245	5.3%
2016	905,291	\$ 35,034,620	\$ 38,700	4.8%
2017	918,681	\$ 36,637,156	\$ 39,880	4.3%
2018	928,072	\$ 38,560,547	\$ 41,549	3.6%
2019	937,399	\$ 40,166,588	\$ 42,849	3.1%
2020	942,627	Not yet available	Not yet available	6.3%

Sources:

- 1) U.S. Census Bureau midyear population estimates. Estimates for 2011 – 2020 reflect county population estimates released May 2021 (new estimate for 2020; revised estimates for 2011 – 2019).
- 2) Personal income data from the U.S. Bureau of Economic Analysis, website visited May 5, 2021 (personal income data last updated November 17, 2020 – new statistics for 2019; revised statistics for 2011 – 2018). Per capita personal income calculated based on the U.S. Census Bureau’s midyear population estimates.
- 3) U.S. Bureau of Labor Statistics, website visited May 5, 2021.

PRINCIPAL EMPLOYERS – CURRENT YEAR AND NINE YEARS AGO

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Gwinnett County Public Schools	21,396	1	4.7%	20,421	1	5.2%
Gwinnett County Government	5,676 *	2	1.3%	4,817	2	1.2%
Northside Hospital, formerly Gwinnett Health Care System**	5,165	3	1.1%	4,120	3	1.1%
Publix**	3,863	4	0.9%	2,908	4	0.7%
Walmart**	3,400 – 3,500	5	0.8%	2,700	5	0.7%
State of Georgia (includes Georgia Gwinnett College)	2,555	6	0.6%	2,215	6	0.6%
U.S. Postal Service	2,200 – 2,500	7	0.5%	2,068	8	0.5%
Kroger**	2,127	8	0.5%	2,084	7	0.5%
Primerica**	1,800	9	0.4%	–	–	–
Home Depot**	970	10	0.2%	–	–	–
Cisco, previously Scientific Atlanta	–	–	–	1,917	9	0.5%
Fiserv, previously Check Free	–	–	–	1,582	10	0.4%

Sources: Gwinnett County Office of Economic Development survey of companies, Q1 2021. 2011 principal employers obtained from page S-15 of Gwinnett County's 2011 Comprehensive Annual Financial Report. Total county employment from the Georgia Department of Labor Workforce Statistics & Economic Research's Annual (Not Seasonally Adjusted) Labor Force data for 2011 and 2020 (website visited April 19, 2021).

Note: 2020 data not available for Georgia Gwinnett College; prior year data reported.

* Based on total authorized positions as of December 31, 2020.

** Full-time equivalent employees.

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION – LAST 10 FISCAL YEARS

Function	Fiscal Year Ended December 31,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	538	555	567	571	583	593	611	637	660	662
Public safety:										
Police	1,068	1,065	1,065	1,066	1,067	1,104	1,063	1,129	1,152	1,193
Fire	844	844	844	851	889	898	916	952	961	1,008
Corrections	134	134	134	134	136	136	136	136	136	136
Sheriff	706	706	706	706	713	714	722	722	777	820
Judiciary	482	469	471	478	491	504	515	517	541	559
Transportation	149	145	143	143	143	147	153	156	164	167
Community services	242	242	240	245	250	270	318	338	350	355
Water resources	576	580	579	580	592	598	620	631	644	648
Planning and development	76	72	76	80	76	78	83	90	115	128
Total	4,815	4,812	4,825	4,854	4,940	5,042	5,137	5,308	5,500	5,676

Source: Department of Financial Services, Budget Group

OPERATING INDICATORS BY FUNCTION – LAST 10 FISCAL YEARS

Function	Fiscal Year Ended December 31,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
General calls	451,551	441,408	419,381	405,580	401,822	414,866	382,755	377,414	364,785	341,150
Traffic calls	207,904	205,281	184,644	162,705	147,778	143,734	129,674	133,216	144,496	122,301
Officers/1,000 population	1.00	0.97	0.97	0.93	0.88	0.85	0.88	0.89	0.93	0.93
Fire										
Calls answered	64,450	66,757	66,831	71,084	74,497	78,661	79,651	83,170	84,587	84,572
Inspections	14,063	11,833	13,448	14,004	14,634	16,903	17,257	17,966	19,367	20,151
Transportation										
Street resurfacing (miles)	80	130	135	135	135	130	170	140	144	95
Transit										
Total passengers	2,264,769	2,026,533	1,823,384	1,718,098	1,586,329	1,496,422	1,419,121	1,514,914	1,550,568	924,774*
Parks and recreation										
Classes/programs/camps/events	6,047	6,313	6,651	7,030	7,150	7,459	7,967	7,794	7,803	4,413*
Number of facility & pavilion rentals	11,298	11,781	10,385	9,543	11,530	12,099	11,126	11,201	12,227	5,840*
Number of pool admissions & passes	575,000	541,000	418,310	461,893	471,480	439,434	439,063	445,045	479,542	56,286*
Health and human services										
Number of senior citizens' one-way passenger trips	32,424	36,173	28,723	38,264	47,368	78,833	57,654	65,332	59,601	22,643*
Water										
Plant capacity (mgd)	248	248	248	248	248	248	248	248	248	248
Average daily consumption (mgd)	66.4	62.9	58.9	59.4	62.2	71.3	64.5	65.2	67.2	66.2
Maximum daily pumpage (mgd)	101	113	81	86	90	98	86	83	98	89
Water meters installed	946	1,417	2,560	2,544	3,422	3,650	3,566	3,143	3,283	3,896
Miles of water mains installed	17	18	25	10	22	18	26	19	26	147
Number of customers	228,223	230,652	229,126	224,771	228,579	236,950	243,948	247,188	250,434	252,138
Sewer										
Average annual daily flow (mgd)	50	49	53	52	53	52	54	58	58	58
Number of customers	148,714	150,951	156,358	157,747	160,862	167,907	170,525	173,653	176,830	178,502
Miles of sewer mains installed	11	5	37	10	20	28	26	23	25	37

Source: County operating departments

*Numbers were down significantly in 2020 due to the effects of the COVID-19 pandemic.

CAPITAL ASSET STATISTICS BY FUNCTION – LAST 10 FISCAL YEARS

Function	Fiscal Year Ended December 31,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police precincts/facilities	11	11	11	11	11	11	11	11	12	12
Fire stations	30	30	30	30	30	31	31	31	30	30
Transportation										
Miles County-maintained roads	2,750	2,750	2,750	2,750	2,500	2,568	2,572	2,606	2,650	2,653
Street lights maintained	48,539	48,697	48,607	48,865	47,723	48,209	48,819	49,886	50,842	51,780
Traffic signals maintained	675	685	695	701	705	713	720	725	732	743
Transit										
Transit buses	96	98	98	98	98	81	82	90	85	88
Parks and recreation										
Acreage total	8,992	8,978	9,282	9,413	9,646	9,646	9,875	9,908	9,908	9,908
Competition & leisure/play pools	17	17	17	17	17	17	17	17	17	17
Sports fields	150	154	170	175	175	179	182	183	182	182
Tennis courts	51	51	51	51	51	53	59	59	59	59
Playgrounds	61	63	67	69	68	72	75	75	77	77
Libraries	15	15	15	15	15	15	15	15	15	15
Library circulation	7,667,758	7,190,798	6,744,005	6,376,268	5,464,503	5,083,935	4,650,830	4,417,868	4,523,798	3,087,491
Water										
Miles of water mains	3,665	3,667	3,692	3,702	3,725	3,743	3,769	3,788	3,812	3,959
Fire hydrants	41,642	41,749	42,258	42,447	42,788	43,241	43,647	43,984	44,376	45,777
Raw water storage (mgd)	45	45	45	45	45	45	45	45	45	45
Sewer										
Miles of sewer mains	2,650	2,654	2,691	2,700	2,722	2,750	2,776	2,799	2,832	2,869
Treatment capacity (mgd)	103.0	100.5	100.5	100.5	100.5	100.5	100.5	100.5	100.5	100.5
Stormwater										
Miles of pipe	1,327	1,292	1,364	1,388	1,406	1,422	1,448	1,457	1,474	1,507

Source: County operating departments

DID YOU KNOW

The violent crime rate in 2020 decreased 5.48 percent from 2019, the property crime rate declined 24.6 percent, and the overall crime rate declined 22.8 percent.



SINGLE AUDIT
SECTION

SINGLE AUDIT SECTION

December 31, 2020

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS –

Year ended December 31, 2020

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
U.S. Department of Housing and Urban Development					
Community Development Block Grants Cluster	14.218	B-16-UC-13-0004		\$ 8,146	\$ 6,654
Community Development Block Grants Cluster	14.218	B-17-UC-13-0004		252,690	6,070
Community Development Block Grants Cluster	14.218	B-18-UC-13-0004		1,191,898	565,925
Community Development Block Grants Cluster	14.218	B-19-UC-13-0004		2,339,917	2,003,385
Community Development Block Grants Cluster	14.218	B-20-UC-13-0004		1,241,789	1,241,789
Community Development Block Grants Cluster	14.218	B-20-UW-13-0004		112,837	–
SUBTOTAL – Community Development Block Grants Cluster				5,147,277	3,823,823
Community Development Block Grants/State's Program	14.228	08-NS-5063	Georgia Department of Community Affairs	920	–
SUBTOTAL				920	–
Emergency Solutions Grant Program	14.231	E-18-UC-13-0004		92,579	65,589
Emergency Solutions Grant Program	14.231	E-19-UC-13-0004		231,657	193,231
Emergency Solutions Grant Program	14.231	E-20-UC-13-0004		35,503	35,503
Emergency Solutions Grant Program	14.231	E-20-UW-13-0004		35,416	–
SUBTOTAL				395,155	294,323
Home Investment Partnerships Program	14.239	M-16-UC-13-0210		39,813	39,813
Home Investment Partnerships Program	14.239	M-17-UC-13-0210		111,015	88,454
Home Investment Partnerships Program	14.239	M-18-UC-13-0210		299,378	150,000
Home Investment Partnerships Program	14.239	M-19-UC-13-0210		657,497	629,707
Home Investment Partnerships Program	14.239	M-20-UC-13-0210		33,294	–
SUBTOTAL				1,140,997	907,974
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				6,684,349	5,026,120

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS –

Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
U.S. Department of Justice					
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0376		320	—
State Criminal Alien Assistance Program	16.606	2019-AP-BX-0412		39,136	—
State Criminal Alien Assistance Program	16.606	2019-AP-BX-1118		49,697	—
State Criminal Alien Assistance Program	16.606	2020-AP-BX-1077		52,059	—
SUBTOTAL				141,212	—
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0095		(37,469)	—
SUBTOTAL				(37,469)	—
Equitable Sharing Program	16.922	GA067015A; GA0670200; GA0670000		111,606	—
SUBTOTAL				111,606	—
TOTAL U.S. DEPARTMENT OF JUSTICE				215,349	—
U.S. Department of Labor					
WIOA Adult Program	17.258	WD1813	Atlanta Regional Commission	79,432	—
WIOA Adult Program	17.258	WD1813	Atlanta Regional Commission	79,720	—
SUBTOTAL – WIOA Cluster				159,152	—
TOTAL U.S. DEPARTMENT OF LABOR				159,152	—
U.S. Department of Transportation					
Airport Improvement Program	20.106	AP019-9036-34(135)	Georgia Department of Transportation	9,127,843	—
Airport Improvement Program	20.106	PID-T006984	Georgia Department of Transportation	123,179	—
Airport Improvement Program	20.106	PID- T007462	Georgia Department of Transportation	157,000	—
Airport Improvement Program	20.106	AP021-9044-38(135)	Georgia Department of Transportation	4,670,367	—
SUBTOTAL				14,078,389	—

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS –

Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
Highway Planning and Construction	20.205	UP1916	Atlanta Regional Commission	70,414	—
Highway Planning and Construction	20.205	902 CAS	Atlanta Regional Commission	400,000	—
Highway Planning and Construction	20.205	PI 0006921	Georgia Department of Transportation	149,364	—
Highway Planning and Construction	20.205	PI 0006924	Georgia Department of Transportation	277,666	—
Highway Planning and Construction	20.205	PI 0012698	Georgia Department of Transportation	11,248,397	—
Highway Planning and Construction	20.205	PI 0012883	Georgia Department of Transportation	51,850	—
Highway Planning and Construction	20.205	PI 0012884	Georgia Department of Transportation	120,775	—
Highway Planning and Construction	20.205	PI 0013104	Georgia Department of Transportation	870,673	—
Highway Planning and Construction	20.205	PI 0013143	Georgia Department of Transportation	54,821	—
Highway Planning and Construction	20.205	PI 0013323	Georgia Department of Transportation	85,507	—
Highway Planning and Construction	20.205	PI 0013324	Georgia Department of Transportation	35,906	—
Highway Planning and Construction	20.205	PI 0013325	Georgia Department of Transportation	11,208	—
Highway Planning and Construction	20.205	PI 0012883	Georgia Department of Transportation	35,652	—
Highway Planning and Construction	20.205	PI 0012884	Georgia Department of Transportation	131,838	—
Highway Planning and Construction	20.205	PI 0007535	Georgia Department of Transportation	1,214,408	—
SUBTOTAL – Highway Planning and Construction Cluster				14,758,479	—
Federal Transit-Formula Grant	20.507	GA-2016-019-00		437,760	—
Federal Transit-Formula Grant	20.507	GA-2020-016-00 (CAP)		78,000	—
Federal Transit-Formula Grant	20.507	GA-2016-020-00		79,860	—
Federal Transit-Formula Grant	20.507	GA-2017-004-00		1,175,054	—
Federal Transit-Formula Grant	20.507	GA-2019-021-00		117,538	—
Federal Transit-Formula Grant	20.507	GA-2018-001-00 (OP)		569,477	—
Federal Transit-Formula Grant	20.507	GA-2020-016-00 (OP)		12,879,036	—
SUBTOTAL – Federal Transit Cluster				15,336,725	—
New Freedom Program	20.521	AG1919	Atlanta Regional Commission	(136)	—
New Freedom Program	20.521	AG2024	Atlanta Regional Commission	134,901	—
New Freedom Program	20.521	AG2135	Atlanta Regional Commission	42,986	—
SUBTOTAL – Transit Services Program Cluster				177,751	—
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				44,351,344	—

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS –

Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
U.S. Department of Treasury					
Equitable Sharing Program	21.000	GA0670000		125,022	–
SUBTOTAL				125,022	–
Coronavirus Relief Funds	21.019			135,571,308	73,811,951
SUBTOTAL				135,571,308	73,811,951
TOTAL U.S. DEPARTMENT OF TREASURY				135,696,330	73,811,951
U.S. Department of Health and Human Services					
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1210	Atlanta Regional Commission	43	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1407	Atlanta Regional Commission	18	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1507	Atlanta Regional Commission	80	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1613	Atlanta Regional Commission	41	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1716	Atlanta Regional Commission	22,095	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1813	Atlanta Regional Commission	(37)	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG1910	Atlanta Regional Commission	7,247	–
Special Programs for the Aging – Title III, Part B-Supportive Services and Senior Center	93.044	AG2009	Atlanta Regional Commission	41,973	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1117	Atlanta Regional Commission	526	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1507	Atlanta Regional Commission	1,730	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1613	Atlanta Regional Commission	17,130	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1716	Atlanta Regional Commission	91,086	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1813	Atlanta Regional Commission	49,860	–

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS –

Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1910	Atlanta Regional Commission	87,179	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG2009	Atlanta Regional Commission	213,180	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG2110	Atlanta Regional Commission	215,521	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG2047	Atlanta Regional Commission	59,046	–
Special Programs for the Aging – Title III, Part C-Nutrition Services	93.045	AG1407	Atlanta Regional Commission	44	–
Nutrition Services Incentive Program	93.053	AG1507	Atlanta Regional Commission	9,440	–
Nutrition Services Incentive Program	93.053	AG1613	Atlanta Regional Commission	55,398	–
Nutrition Services Incentive Program	93.053	AG1716	Atlanta Regional Commission	136,474	–
Nutrition Services Incentive Program	93.053	AG1813	Atlanta Regional Commission	(1)	–
Nutrition Services Incentive Program	93.053	AG1910	Atlanta Regional Commission	145	–
Nutrition Services Incentive Program	93.053	AG2009	Atlanta Regional Commission	4,213	–
SUBTOTAL – Aging Cluster				1,012,431	–
National Family Caregiver Support	93.052	AG1507	Atlanta Regional Commission	14	–
National Family Caregiver Support	93.052	AG1613	Atlanta Regional Commission	1	–
National Family Caregiver Support	93.052	AG1716	Atlanta Regional Commission	10	–
National Family Caregiver Support	93.052	AG1813	Atlanta Regional Commission	3,644	–
National Family Caregiver Support	93.052	AG1910	Atlanta Regional Commission	20,318	–
National Family Caregiver Support	93.052	AG2110	Atlanta Regional Commission	18,275	–
SUBTOTAL				42,262	–
Injury Prevention and Control Research and State and Community Based Programs	93.136	AU-02001	Georgia Department of Public Health	908	–
SUBTOTAL				908	–
Substance Abuse and Mental Health Services	93.243	H79TI081037		421,153	421,153
SUBTOTAL				421,153	421,153

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
Coronavirus Provider Relief Fund	93.498			507,614	—
Coronavirus Response Fund	93.498	AG2047	Georgia Court Appointed Special Advocate	54,731	—
SUBTOTAL – Provider Relief Fund Cluster				562,345	—
Temporary Assistance for Needy Families	93.558	42700-040-0000084054	Georgia Court Appointed Special Advocate	16,011	—
Temporary Assistance for Needy Families	93.558	42700-040-0000094228	Georgia Court Appointed Special Advocate	15,831	—
SUBTOTAL – Temporary Assistance for Needy Families Cluster				31,842	—
Community Based Care Transitions	93.621	AG1407	Atlanta Regional Commission	256	—
Community Based Care Transitions	93.621	AG1613	Atlanta Regional Commission	53	—
SUBTOTAL – Community Based Care Transitions				309	—
Social Services Block Grant	93.667	AG1613	Atlanta Regional Commission	(16,156)	—
Social Services Block Grant	93.667	AG1716	Atlanta Regional Commission	14,472	—
Social Services Block Grant	93.667	AG1813	Atlanta Regional Commission	17,684	—
Social Services Block Grant	93.667	AG1910	Atlanta Regional Commission	7,348	—
Social Services Block Grant	93.667	AG2009	Atlanta Regional Commission	7,419	—
Social Services Block Grant	93.667	AG2110	Atlanta Regional Commission	3,210	—
Social Services Block Grant	93.667	AG1507	Atlanta Regional Commission	578	—
Social Services Block Grant	93.667	AG1613	Atlanta Regional Commission	7,294	—
Social Services Block Grant	93.667	AG1716	Atlanta Regional Commission	(9,083)	—
Social Services Block Grant	93.667	AG1813	Atlanta Regional Commission	14,255	—
Social Services Block Grant	93.667	AG2009	Atlanta Regional Commission	181	—
SUBTOTAL				47,202	—

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS –

Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
Medical Assistance Program	93.778	000272742B	Georgia Department of Community Health	641	–
Medical Assistance Program	93.778	000272742B	Georgia Department of Community Health	4,990	–
SUBTOTAL – Medicaid Cluster				5,631	–
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				2,124,083	421,153
Executive Office of the President					
High Intensity Drug Trafficking Area	95.001	G17GA0009A		73,017	–
High Intensity Drug Trafficking Area	95.001	G18GA0009A		250,809	–
High Intensity Drug Trafficking Area	95.001	G19GA0009A		1,720,762	–
High Intensity Drug Trafficking Area	95.001	G20GA0009A		215,946	–
SUBTOTAL				2,260,534	–
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT				2,260,534	–
U.S. Department of Homeland Security					
Disaster Grants – Public Assistance	97.036	FEMA-4338-DR-GA	Georgia Emergency Management and Homeland Security Agency	355,554	–
SUBTOTAL				355,554	–
Hazard Mitigation Grant	97.039	HMGP-4284-0008	Georgia Emergency Management and Homeland Security Agency	10,342	–
SUBTOTAL				10,342	–
Emergency Management Performance Grants	97.042	OEM18-069	Georgia Emergency Management and Homeland Security Agency	50,000	–
SUBTOTAL				50,000	–

continued...

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – Year ended December 31, 2020 *(continued)*

Title	CFDA	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
Homeland Security Grant Program	97.067	EMW-2018-SS-0067-S01	Georgia Emergency Management and Homeland Security Agency	42,482	–
Homeland Security Grant Program	97.067	EMW-2019-SS-00072	Georgia Emergency Management and Homeland Security Agency	1,455	–
Homeland Security Grant Program	97.067	EMW-2019-SS-00072	Georgia Emergency Management and Homeland Security Agency	68,044	–
Homeland Security Grant Program	97.067	EMW-2019-SS-00072	Georgia Emergency Management and Homeland Security Agency	3,561	–
SUBTOTAL				115,542	–
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY				531,438	–
TOTAL FEDERAL ASSISTANCE				\$ 192,022,579	\$ 79,259,224

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation and Accounting

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of Gwinnett County, Georgia, with the exception of the Gwinnett County Board of Health. The County reporting entity is defined in [Note 1](#) to the County's financial statements. Federal financial assistance received directly from federal agencies and federal assistance passed through other government agencies are included on the schedule.

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for proprietary fund types as more fully described in [Note 1](#) to the County's financial statements.

The County has elected not to utilize the federal de minimus indirect cost rate.



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

The Board of Commissioners of Gwinnett County Lawrenceville, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Gwinnett County, Georgia** (the "County") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2021. Our report includes a reference to other auditors. Other auditors audited the financial statements of the Gwinnett County Board of Health, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 30, 2021



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

The Board of Commissioners of Gwinnett County
Lawrenceville, Georgia

Report on Compliance for Each Major Federal Program

We have audited Gwinnett County, Georgia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Gwinnett County Board of Health, which expended \$9,646,474 in federal awards which are not included in the County's Schedule of Expenditures of Federal Awards for the year ended December 31, 2020. Our audit, described below, did not include the operations of the Gwinnett County Board of Health because the component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

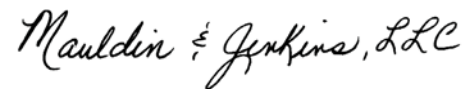
Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types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

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

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

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

Atlanta, Georgia
June 30, 2021



GWINNETT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

(1) Summary of Auditors' Results

- (a) The type of report issued on whether the financial statements audited were prepared in accordance with GAAP: **unmodified opinion**
- (b) Internal control over financial reporting:
Material weaknesses identified: **no**
Significant deficiencies identified, not considered to be material weaknesses: **none reported**
- (c) Noncompliance material to the financial statements noted: **no**
- (d) Internal control over major federal programs:
Material weaknesses identified: **no**
Significant deficiencies identified, not considered to be material weaknesses: **none reported**
- (e) The type of report issued on compliance for major federal programs: **unmodified**
- (f) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): **no**
- (g) Major Programs:
Coronavirus Relief Fund CFDA: #21.019
- (h) Dollar threshold to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Audit qualified as a low-risk auditee under the Uniform Guidance: **yes**

GWINNETT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None.

(3) Findings and Questioned Costs Relating to Federal Awards

None.

DID YOU KNOW

A total of 28 tons of electronics, 28 tons of paper, and 4,763 gallons of latex paint were recycled during the 2020 America Recycles Day event, a partnership between Support Services and Gwinnett Clean & Beautiful.



DISCLOSURE SECTION

DISCLOSURE SECTION

(UNAUDITED)

CONTINUING ANNUAL AND EVENT DISCLOSURES

The following disclosures comply with amendments of the Securities and Exchange Commission *Rule 15c2-12 (b) (5) (i) (A) to (D)*. Effective in 1995, the amendments required municipal bond underwriters to gain reasonable assurance from bond issuers that they will provide continuing annual information and notices of material events for disclosure to the secondary bond market.

The following table provides a summary of continuing bond disclosure requirements. All disclosure filings described below are filed via the Electronic Municipal Market Access platform.

	Annual Financial Information SEC Rule 15c2-12 (9b) (5) (I) (A)	Audited Annual Financial Statements SEC Rule 15c2-12 (B) (5) (I) (B)	Notice Of Material Events SEC Rule (B) (5) (I) (C)	Notice of Failure to Provide Annual Information SEC Rule (B) (5) (I) (D)
Nationally Recognized Municipal Securities Information	X	X		
Municipal Securities Rulemaking Board			X	X

AGREEMENT AND AFFECTED BOND ISSUE

In respective Bond Resolutions, the County and the Water and Sewerage Authority (the "Authority") agreed to provide continuing disclosure of (a) annual information and (b) notices of material events upon issuing its:

- *Water and Sewerage Authority Refunding Bonds, Series 2011*
- *Water and Sewerage Authority Refunding Bonds, Series 2015*
- *Water and Sewerage Authority Refunding Bonds, Series 2016*
- *Water and Sewerage Authority Refunding Bonds, Series 2016A*
- *Water and Sewerage Authority Refunding Bonds, Series 2019*
- *Water and Sewerage Authority Refunding Bonds, Series 2020*

DESCRIPTION OF THE WATER AND SEWERAGE SYSTEM

The Water System

The water system consists primarily of the intake and treatment facilities near Lake Lanier, transmission mains, distribution mains, booster stations, storage tanks, and administration and operations facilities. Lanier Filter Plant and most of the water system facilities and pipes were constructed after 1970. Shoal Creek Filter Plant was completed in 2004 and has operated continuously since that time. Potable water production is split between the two facilities.

Source of Water

The Gwinnett County Department of Water Resources, or GCDWR, obtains its water supply needs from two raw water intake facilities located at Lake Sidney Lanier, a 38,000-acre lake located just north of the county. Withdrawal from Lake Lanier is regulated through permits issued by the Georgia Environmental Protection Division, or EPD.

Lake Lanier is a very dependable and high-quality water supply source with approximately 350 billion gallons of water stored in the dedicated U.S. Army Corps of Engineers (USACE) Conservation Pool located at Buford Dam. The elevation of the Conservation Pool is controlled by USACE and fluctuates between 1,035 to 1,071 feet. The dependability of the Lake Lanier water supply is further enhanced by the large amount (up to 40 million gallons) of high-quality reclaimed water that is returned to the lake each day by GCDWR. Extensive efforts by Gwinnett County on the water conservation front will continue to push per capita water use rates lower in the years to come, and available supply will meet projected Gwinnett County water demands even further into the future. Having raw water intakes at two different locations in Lake Lanier and two separate water production plants indicate GCDWR is well positioned with regard to reliability of both water supply and water production.

Georgia EPD has issued a Raw Water Withdrawal Permit (Permit No. 069-1290-06) to GCDWR that allows for withdrawal of water from Lake Lanier up to a monthly average rate of 150 million gallons per day (mgd). The permitted rate is sufficient to satisfy Gwinnett County raw water demands as evidenced by maximum monthly withdrawal rates in 2018, 2019, and 2020 of 76.6 mgd, 90.7 mgd, and 83.8 mgd, respectively. The current Raw Water Withdrawal Permit has an expiration date of August 15, 2026.

USACE issued a Record of Decision and Final Water Control Manual in 2017 which concluded that it was appropriate to reallocate an amount of storage in Lake Lanier to water supply to meet the projected water demands of Gwinnett County through the year 2050. Work related to finalizing water storage contracts that will reflect USACE's 2017 conclusions is currently ongoing between Gwinnett County, the State of Georgia, and USACE. It is anticipated that the Water and Sewerage Authority will execute a water supply storage contract in 2021.

The Florida v. Georgia legal case in the U.S. Supreme Court, which is related to water supply and allocation, is ongoing. On December 12, 2019, U.S. Circuit Judge Paul J. Kelly ruled against Florida in an 81-page order, stating there was not a recommendation to grant Florida's request for an equitable apportioning of waters in the Apalachicola-Chattahoochee-Flint river basin. The evidence had shown that Georgia's water use is reasonable, and the evidence has not shown that the benefits of apportionment would sustainably outweigh the potential harms. The U.S. Supreme Court will soon decide whether to accept Judge Kelly's recommendation, which was favorable to Gwinnett County and the State of Georgia. The final ruling is expected to occur in 2021.

Water Production Facilities

GCDWR water production facilities at Lake Lanier include two raw water intake structures with pump stations, four raw water force mains, a surge tank, a raw water distribution structure, a raw water reservoir, two water filtration plants, and two finished water pump stations.

Raw Water Intake and Distribution Systems

The Wayne Mason Raw Water Intake and Pump Station, constructed in 1976, is located on the shore of Lake Lanier and has access to deep water in the main body of the lake. This intake consists of three 72-inch-diameter fiberglass pipes of varying lengths, arranged to withdraw water from approximately 10, 24, and 45 feet below normal water surface elevation of the lake (i.e., 1,071 feet above mean sea level). The Shoal Creek Raw Water Intake and Pump Station uses a 10-foot-diameter tunnel below the lake bottom to withdraw water from an elevation of 1,025 feet above mean sea level.

The Wayne Mason Water Intake and Pump Station has six 30-million-gallons-per-day (mgd) pumps, allowing for a firm pumping capacity of 150 mgd. Two raw water force mains, 48 inches and 72 inches in diameter, follow a parallel route 2.9 miles to the Lanier Filter Plant. These mains are protected using a steel hydro-pneumatic surge tank, which prevents water column separation in the event of a power failure or emergency pump shutdown.

The Shoal Creek Raw Water Intake and Pump Station has four 30-mgd pumps dedicated to Shoal Creek Filter Plant, and four 50-mgd pumps dedicated to Lanier Filter Plant. This design greatly improves the reliability of the water system by having backup pumping capability for both water production facilities. Two 72-inch-diameter raw water mains carry water to Shoal Creek Filter Plant. One of these mains continues to the raw water distribution box near Lanier Filter Plant.

Construction of the raw water distribution structure was finished in 2005. This structure allows distribution of water from either raw water pump station to either or both water production facilities. This allows flexibility to maintain operations at both filter plants in the event of an outage at either of the raw water intake pump stations.

Water Filtration Plants

The following table presents the current permitted treatment capacity for the Lanier Filter Plant and the Shoal Creek Filter Plant.

Current Water System Capacity

Water Filtration Plants	Permitted Treatment Capacity (mgd)
Lanier Filter Plant	150
Shoal Creek Filter Plant	98
Total Water System Treatment Capacity	248

The Lanier Filter Plant is located on a 94-acre site north of the city of Buford and, as listed in the table above, has a permitted treatment capacity of 150 mgd.

Plant components consist of:

- Raw water storage reservoir (37 million gallons)
- Ozone disinfection facilities
- Pre-treatment facilities (rapid mix and flocculation)
- Filtration facilities
- Clearwells
- High service pump station
- Chemical storage, handling, and feed systems
- Residuals (solids) handling facilities

High service pumping to the water distribution system is accomplished with seven variable speed pumps, four at 50 mgd serving the Central Pressure Zone and three at 25 mgd serving the North Pressure Zone. The plant is operated through the use of an integrated Supervisory Control and Data Acquisition, or SCADA, computer system, which controls both the filter plant and the tanks and pump stations within the distribution system.

Shoal Creek Filter Plant went into operation in September 2004. Shoal Creek Filter Plant sits on an 88-acre site approximately 3 miles west of the Lanier Filter Plant. Shoal Creek Filter Plant duplicates the processes employed at Lanier Filter Plant, with the exception of the residuals handling process in which all filter backwash water from Shoal Creek Filter Plant is pumped to Lanier Filter Plant for handling. With Shoal Creek Filter Plant's capacity of 98 mgd, the total GCDWR water system capacity is 248 mgd. Having two raw water intake systems and two water filtration plants provides redundancy and reliability of the overall water system.

Potable Water Distribution System

GCDWR's distribution system uses transmission mains, distribution mains, booster pump stations, and storage facilities to provide water to its customers.

Transmission Mains

The transmission system includes approximately 174 miles of transmission mains. The first major transmission main loop for the County was completed in 1980 and consisted of approximately 84 miles of 36- and 48-inch pipe. This loop around the county made it possible to reliably serve the entire area with water in the event of a major transmission main break. Large diameter pipes branch off of this loop to provide water service to all populated areas within the county, and also connect to wholesale customers neighboring the county. Because of continued growth, another 48-inch transmission main was installed along Peachtree Industrial Boulevard in the western portion of the county. Connections between the third main and original transmission system provide greater flexibility and reliability of the water distribution system. Over time additional improvements to the system have included: a 78-inch transmission main from the Lanier Filter Plant to the 48-inch loop near Lawrenceville, a 54-inch transmission main connecting Shoal Creek Filter Plant to Lanier Filter Plant, and a 60-inch transmission main from Shoal Creek Filter Plant to the dual 48-inch transmission mains on Peachtree Industrial Boulevard. These connections and extensions reinforce the county loop system and add reliability.

Distribution Mains

The distribution main system includes approximately 3,959 miles of pipes in addition to the transmission mains. These pipes consist of varying materials and sizes and distribute water from the transmission main system to customers.

Booster Pumps and Pressure Zones

Booster pump stations raise water pressure in local areas to acceptable levels. They are used to provide service to customers in hilltop areas above the system delivery gradient or where limitations in transmission and storage capacity make delivery pressures too low. Currently, the water distribution system has nine booster stations. While booster stations raise water pressure above the standard system gradient, topography dictates that other areas (considerably below the system delivery gradient) are relieved of excess pressure. This pressure management is accomplished by creating special zones that are isolated under normal circumstances by pressure-reducing valves.

To optimize service delivery, the County has established two separate pressure zones based on topography: South and North. Each of these pressure zones has one or more sub-pressure zones to serve higher or lower elevation areas. The North Pressure Zone is served by three high service pumps at Lanier Filter Plant. The North Pressure Zone feeds the Upper North Sub-Pressure Zone which consists of the highest elevations in Gwinnett County and is served by the Bogan Road Pump Station. The Sunny Hill Booster Pump Station was completed in 2020 and provides a redundant feed to the North Pressure Zone, allowing the North Pressure Zone to be serviced by both filter plants.

Potable water is delivered to the Central Pressure Zone from four high service pumps at Lanier Filter Plant and three high service pumps at Shoal Creek Filter Plant through the GCDWR transmission mains. The South Sub-Pressure Zone is a region with elevations lower than the rest of Gwinnett County. The Central Zone feeds the South Sub-Pressure Zone through eight pressure-reducing valves, which were upgraded in 2014. The Central Pressure Zone also feeds the Knob Hill and Walton Court Sub-Pressure Zones which are higher elevation areas needing booster pumps.

Storage Facilities

Water system storage is provided in either ground storage or elevated tanks. The finished water clearwells at Lanier Filter Plant and Shoal Creek Filter Plant provide 38 and 20 million gallons of water, respectively, for a total of 58 million gallons. Ground storage tanks (5- or 10-million-gallon capacity) are located near the cities of Norcross, Buford, Grayson, Snellville, and Lilburn. An elevated water storage tank is located in Snellville near the Knob Hill subdivision. The total finished water storage is 119 million gallons.

Vulnerability Assessment

The Public Health, Security, and Bioterrorism Preparedness and Response Act of 2002 (PL107-188) required community water systems serving more than 100,000 persons to conduct vulnerability assessments and prepare specific Emergency Response Plans. The Vulnerability Assessment, also known as the Risk and Resiliency Assessment Report, was completed by the March 2003 deadline, and the Emergency Response Plan was finished by September 2003, as required. Both documents were updated in 2013 and in 2020. Additional security upgrades are factored into future capital improvement planning based on the results of the updated 2020 Vulnerability Assessment. For example, additional security cameras were added at both water filtration plants, as well as an improved security system with card reader access on gates and doors.

Historical and Current Water Production Flows

Historical information and data regarding the growth of the water system from 2015 to 2020 are listed in the table below. These data include levels of infrastructure, plant capacity, storage capacity, and production volumes.

Water System Growth, 2015 to 2020

System Parameters	2015	2016	2017	2018	2019	2020
County Population	888,494	904,962	918,186	927,337	936,250	961,849
Number of Customers (end of year)	228,579	236,950	243,948	247,188	250,434	252,138
Plant Capacity (mgd)	248	248	248	248	248	248
Average Daily Consumption (mgd)	62.2	71.3	64.5	65.2	67.2	66.2
Maximum Daily Production Rate (mgd)	90	98	86	83	98	89
Miles of Water Mains in Service	3,725	3,743	3,769	3,788	3,812	3,960
Fire Hydrants in Service	42,788	43,241	43,647	43,984	44,376	45,777

As of December 31, 2020, the water system had 252,138 retail customers. The water system provides treated water to both retail and wholesale customers within and adjacent to Gwinnett County.

The water system provides water at retail rates directly to customers residing in unincorporated areas of the county, as well as to many customers within incorporated areas. As municipalities within the county annex contiguous areas, water and sewer service remains with GCDWR, and the residents of the contiguous areas continue to purchase water at retail rates. GCDWR provides direct retail service to the residents of Berkeley Lake, Dacula, Duluth, Grayson, Lawrenceville, Lilburn, Norcross, Peachtree Corners, Snellville, and Sugar Hill, along with a portion of the residents of Buford, Loganville, and Suwanee.

GCDWR provides water to Buford and Suwanee on a wholesale basis. Suwanee supplements their water system with wells. Gwinnett County recently completed its Intergovernmental Agreement to purchase Lawrenceville’s water system effective December 1, 2020. This added about 7,150 retail customers and 177 miles of distribution pipe to the Gwinnett system. The system transition has taken place, and all of the City of Lawrenceville’s water is now provided at retail rates by GCDWR. Buford has its own raw water intake in Lake Lanier and its own water filtration plant. GCDWR also sells water on a wholesale basis to Auburn in Barrow County, Braselton in Barrow County, Loganville in both Gwinnett and Walton Counties, and the Walton County Water and Sewer Authority.

The County purchased Duluth’s water system in December 1991, Grayson’s water system in May 1993, Sugar Hill’s water and sewer system in December 1995, Dacula’s water system in May 1996, Norcross’ water system in 2013, and Lawrenceville’s water system in 2020. The table below shows the average daily consumption, in mgd, of water billed by GCDWR during the years 2010 through 2020.

Average Daily Consumption of Water Billed by the Water System

Year	Gwinnett County Consumption (mgd)		Out-of-County Consumption (mgd)	Total Average Daily Consumption (mgd)
	Retail	Wholesale	Wholesale	
2010	63.39	2.77	0.08	66.24
2011	63.81	2.47	0.11	66.39
2012	60.34	2.38	0.22	62.94
2013	57.00	1.77	0.13	58.90
2014	57.45	1.79	0.19	59.43
2015	60.17	1.82	0.21	62.20
2016	68.90	2.15	0.22	71.27
2017	62.40	1.87	0.21	64.48
2018	63.30	1.68	0.18	65.16
2019	64.70	2.39	0.11	67.20
2020	64.06	2.16	0.01	66.23

Non-revenue water

Non-revenue water is due to water system losses, fire flow, meter underreporting, and other causes. In 2010, non-revenue water was approximately 11 percent of the volume of water produced. On June 1, 2010, the Governor signed the Georgia Water Stewardship Act of 2010 (SB 370). This act states that all water providers in the state of Georgia with a population "equal to or greater than 3,300" must implement a water loss control program and conduct an annual water system audit using American Water Works Association's Free Water Audit Software. Non-revenue water was calculated at 9.7 percent by volume for 2020. GCDWR continues with a task force that is working toward minimizing non-revenue water by focusing on all areas of possible water loss and finding methods to track and account for water not currently metered. These efforts include: (1) tracking water use through hydrants by County departments, contractors, and for County projects; (2) testing and replacing water meters; and (3) reducing the overall pressures in certain portions of its service area by creating new pressure zones in the higher-pressure areas of Gwinnett County.

Water Use: 10 Largest Retail Water Customers – 2020

The following tables show the 10 largest retail and wholesale customers of the water system during the 12 months ended December 31, 2020. Total Gwinnett County water usage during the 12 months ending December 31, 2020 was 24,174,807 thousands of gallons, generating \$175,882,489 in usage revenues (excluding late fees). No single retail customer accounted for more than 0.87 percent of total water system usage in 2020, and the 10 largest retail customers together accounted for 2.69 percent of such consumption. Gwinnett County generated \$2,068,428 in conservation tier charge revenue from water customers who exceeded consumption of 7,999 gallons in any given month.

Customer	Thousands of Gallons-Per-Year	MGD	Total Revenues Received
Publix	209,173.9	0.57	\$ 1,043,778
Gwinnett County Jail	77,320.8	0.21	385,831
OFS Brightwave	64,436.8	0.18	323,080
Phillips State Prison	47,069.3	0.13	234,876
VA7 Parc Shores	45,214.4	0.12	225,620
Silverpoint Management	43,496.1	0.12	217,046
Quality Technology	42,101.7	0.12	210,087
ROC III SGA Promenade at Berkeley	41,683.4	0.11	208,000
Suzanna's Kitchen #1	40,043.2	0.11	215,096
Suzanna's Kitchen #2	39,344.9	0.11	196,331
TOTAL	649,884.5	1.78	\$ 3,259,745

Water Use: Wholesale Water Customers – 2020

Customer	Thousands of Gallons-Per-Year	MGD	Total Revenues Received
City of Lawrenceville	667,318.5	1.83	\$ 3,329,068
City of Loganville	84,456.8	0.23	421,439
City of Braselton	21,062.5	0.06	105,101
City of Buford	16,673.2	0.05	83,199
City of Auburn	2,831.3	0.01	14,128
City of Suwanee	406.4	0.00	2,027
Walton County	338.7	0.00	1,690
Barrow County	1.4	0.00	6
Rockdale County	0.1	0.00	1
TOTAL	793,088.9	2.18	\$ 3,956,659

Retail Monthly Meter Charges

Current Water Rates: Presented below are the major rate categories currently in effect. The previously adopted rates approved on December 18, 2018, were replaced on October 27, 2020. This rate resolution approved water and sewer rates from 2021 through 2031 with increases in 2021, 2023, 2025, 2027, 2029, and 2031 (see schedules that follow). Water rates are fixed by the County and are subject to change, as the County deems advisable. Rates set by the County are not subject to approval by any outside agency.

Meter Size	Base Water Fee
¾"	\$ 7.50
1"	16.50
1½"	27.00
2"	52.50
3"	144.00
4"	210.00
6"	400.00
8"	\$ 750.00

Retail Monthly Water Charges

Volume Charge: All accounts shall be charged the following volume charge for water that passes through the water meter:

Current Jan 1, 2021	Effective Jan 1, 2023	Effective Jan 1, 2025	Effective Jan 1, 2027	Effective Jan 1, 2029	Effective Jan 1, 2031
Tier 1: \$5.29/1,000 gal	Tier 1: \$5.53/1,000 gal	Tier 1: \$5.78/1,000 gal	Tier 1: \$6.04/1,000 gal	Tier 1: \$6.32/1,000 gal	Tier 1: \$6.37/1,000 gal
Tier 2: \$7.935/1,000 gal	Tier 2: \$8.295/1,000 gal	Tier 2: \$8.67/1,000 gal	Tier 2: \$9.06/1,000 gal	Tier 2: \$9.48/1,000 gal	Tier 2: \$9.555/1,000 gal
Tier 3: \$10.58/1,000 gal	Tier 3: \$11.06/1,000 gal	Tier 3: \$11.56/1,000 gal	Tier 3: \$12.08/1,000 gal	Tier 3: \$12.64/1,000 gal	Tier 3: \$12.74/1,000 gal

Note: Water charges are based on a three-tier system to promote conservation. Tier 1 rates are applied to consumption less than 8,000 gallons, Tier 2 rates are applied to consumption 8,000 – 12,000 gallons, and Tier 3 rates are applied to consumption greater than 12,000 gallons.

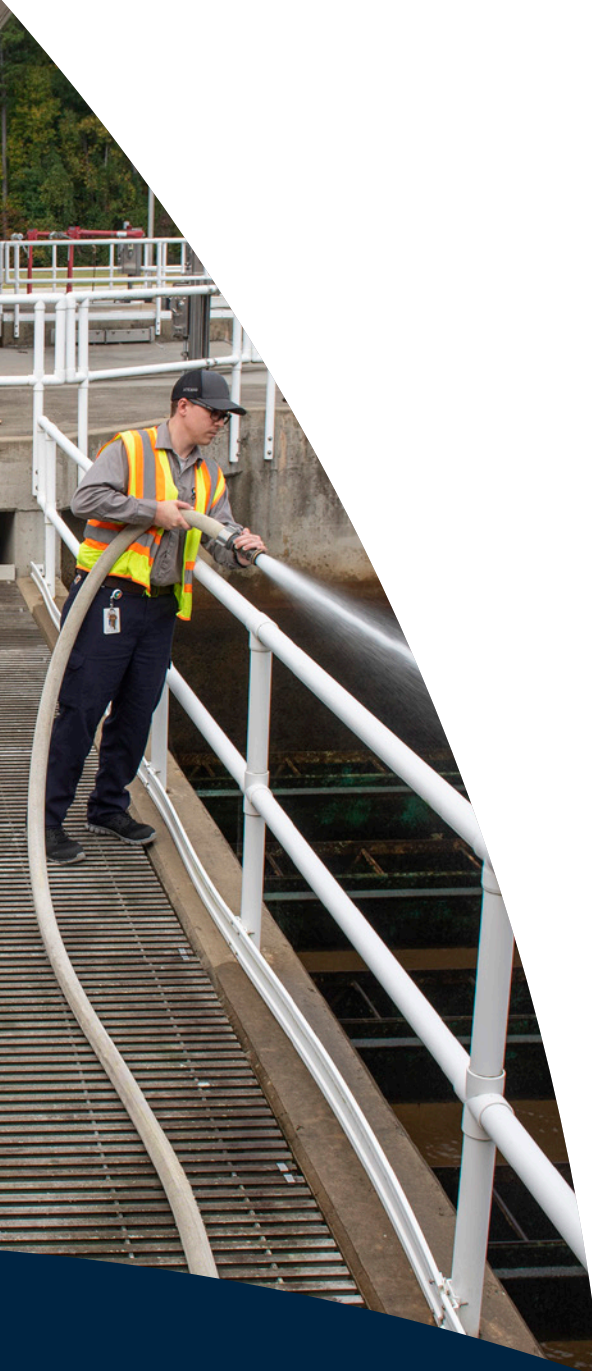
All irrigation and builder accounts are billed at 2.0 times the Tier 1 volumetric rate for all water passing through the water meter per billing period as follows:

Current Jan 1, 2021	Effective Jan 1, 2023	Effective Jan 1, 2025	Effective Jan 1, 2027	Effective Jan 1, 2029	Effective Jan 1, 2031
\$10.58/1,000 gal	\$11.06/1,000 gal	\$11.56/1,000 gal	\$12.08/1,000 gal	\$12.64/1,000 gal	\$12.74/1,000 gal

Fire Protection

The fee for fire protection taps is \$2.00 per inch of fire service pipe diameter. Also, water that passes through the fire protection meter for purposes other than fire suppression is billed for water and sewer; the water volumetric rate applicable to non-fire-related water usage shall be 3.0 times the Tier 1 rate. Each private line is equipped with an approved detector meter at the customer's expense.





Connection Charge

Charges for connecting new services to the water system:

Meter Size	Charge per Connection
¾"	\$ 395
1"	527
1½"	1,036
2"	1,248
3"	1,562
4"	2,250
6"	3,890
8"	6,627
10"	9,630
12"	\$ 16,211

Water System Development Charges

Water Meter Size	January 1, 2021 – 2031
¾"	\$ 1,128
1"	3,610
1½"	8,573
2"	15,679
3"	39,142
4"	62,830
6"	125,434
8"	200,671
10"	Varies*
12"	Varies*

* Determined by the Department of Water Resources

The Sewerage System

The sewerage system consists of the wastewater collection, conveyance, and treatment systems which include three Water Reclamation Facilities (WRFs) that are wholly owned by the Water and Sewerage Authority. The WRFs provide advanced treatment under some of the most stringent environmental requirements in the state of Georgia.

A GCDWR laboratory providing chemical and microbiological analyses ensures the WRFs deliver consistent reporting and monitoring to the regulators. Additional laboratory services include monitoring and enforcement of industrial pretreatment requirements, and ambient water quality monitoring of the streams and rivers within Gwinnett County, as needed. Separate process control laboratories are also maintained at each WRF to monitor plant performance and provide data for process control decisions.

Wastewater Collection and Conveyance System

GCDWR has approximately 2,870 miles of gravity sewers ranging in size from 8 to 72 inches in diameter, 213 active pump stations, and approximately 277 miles of wastewater force mains. These gravity sewers and pump stations collect and convey wastewater to the WRFs from the customers who are served by the sewer system. Not all water customers are connected to sewer; these customers own and operate onsite wastewater management systems (i.e., septic tank systems). As a result of rapid growth and development, particularly in the 1980s and 1990s, a number of residential subdivisions were constructed without sewer service in various locations across Gwinnett County. Approximately 74,000 water customers are currently on septic tank systems, and GCDWR has a program to connect a portion of these customers to sewer.

The GCDWR wastewater conveyance system has the ability to shift portions of the wastewater flows from WRF to WRF in order to provide flexibility in operating the WRFs, as well as to provide conveyance system redundancy in the event of pump station outages. All pump stations have remote telemetry capability, which reports power outages, high water level alarms, and other problems to a central control center that is staffed continuously. Critical pump stations that could overflow into surface waters with the potential for human contact have backup telemetry as well. The telemetry system is monitored by a computer system that periodically queries the status of the stations and verifies the ability of the pump stations to call in alarms.

All pump stations are continuously monitored through SCADA, routinely visited and checked by maintenance personnel, and maintained via preventive maintenance work performed on a scheduled frequency. Information gathered is entered into a Computerized Maintenance Management System. SCADA alarms are investigated and needed repairs are promptly accomplished. Rights-of-way and easements are maintained for access to collection and conveyance system piping and to all pump stations. All pump stations have standby generators for emergency use. GCDWR owns extra portable generators that can be transported to pump stations in power outage situations should a standby generator fail.

GCDWR manages a Georgia EPD-approved industrial pretreatment program. This program protects the collection, conveyance, and treatment facilities from adverse discharges from industrial and commercial facilities. The program protects workers from undesired exposure, protects the collection and conveyance system from chemicals that could harm the system or present explosive conditions, and protects the WRFs from chemicals that could upset or harm the treatment processes or pass through the WRFs untreated.

Water Reclamation Facilities

The three WRFs owned, operated, and maintained by GCDWR include F. Wayne Hill Water Reclamation Facility (FVHWRWF), Yellow River WRF (YRWRF), and Crooked Creek WRF (CCWRF). As stated, the WRFs provide advanced treatment under some of the most stringent environmental requirements in the state of Georgia. The table below presents the permitted capacity for each treatment facility and the 2020 average treated flows.

Water Reclamation Facility Permitted Capacity and 2020 Treated Flow

Water Reclamation Facilities	Permit (mgd)	Maximum Monthly Flow (mgd)	Average Daily Flow (mgd)
F. Wayne Hill Water Reclamation Facility	60.00	40.83	36.47
Crooked Creek Water Reclamation Facility	16.00	10.26	7.97
Yellow River Water Reclamation Facility	22.00	20.07	16.17
Total System	98.00	71.16	60.61

F. Wayne Hill Water Reclamation Facility

FWHWRF started operation in early 2001. In late 2005, construction was completed on an additional 40 mgd of treatment capacity at the facility. The additional capacity brings the total water reclamation capacity of FWHWRC to 60 mgd. FWHWRC meets one of the strictest overall treatment requirements in the southeast, producing high-quality reclaimed water that is clean enough to discharge to a drinking water supply source (i.e., Lake Lanier). FWHWRC is permitted to discharge up to 40 mgd into Lake Lanier and 20 mgd into the Chattahoochee River at a location below Buford Dam.

In August 2011, GCDWR completed a Gas-to-Energy Facility for processing fats, oils, and grease and high-strength industrial waste at FWHWRC. In June 2015, a Nutrient Recovery Facility began operations at FWHWRC, recovering phosphorus for beneficial reuse as a fertilizer additive. This facility produces about 1 ton per day of a slow-release fertilizer additive.



Yellow River Water Reclamation Facility

In early 2007, construction began at YRWRF to consolidate wastewater flows from several smaller, aging wastewater treatment facilities in the Yellow River drainage basin and treat that flow at one facility capable of producing an effluent that exceeds current Georgia EPD standards. As a way to control costs to its customers, GCDWR chose to consolidate operations in the Yellow River drainage basin to the single site rather than upgrade and rehabilitate each of the smaller individual sites. Consolidating operations into a single site resulted in reduced capital costs for construction as well as reduced long-term operating costs. YRWRF reconstruction went into operation in June 2011, at which time the permitted capacity increased from 13.5 to 22.0 mgd. YRWRF discharges treated wastewater to the Yellow River.

Crooked Creek Water Reclamation Facility

Several CCWRF improvement projects started in 2009 to improve efficiency, provide reliable treatment, and expand treatment capacity. Improvements completed in 2011 include a new influent pump station with in-line grinders and a new headworks with band screens and vortex grit removal. A new administration and maintenance building and new effluent filters were completed in 2014. A major renovation began in 2017 and is under construction with expected completion in 2021. This renovation includes new bioreactors, electrical facilities, standby generators, SCADA system, and clarifiers and solids handling facilities. CCWRF is permitted to discharge 16.0 mgd of treated wastewater to the Chattahoochee River.

Wastewater System Collection and Conveyance Flows

Historical information and data regarding the growth of the wastewater collection and conveyance system (i.e., sewer system) from 2015 to 2020 are presented in the table below. The data presented include levels of infrastructure, permitted capacity, storage capacity, and flow rates.

Wastewater Collection and Conveyance System Infrastructure Growth

System Parameters	2015	2016	2017	2018	2019	2020
Number of Customers (end of year)	160,862	167,907	170,525	173,653	176,830	178,502
Permitted Capacity (mgd)	98	98	98	98	98	98
Average Annual Day Flow Treated (mgd)	53	52	54	58	58	58
Sewer Mains in Service (miles)	2,722	2,750	2,776	2,799	2,832	2,870

As of December 31, 2020, the sewer system had 178,502 retail customers. Norcross was using the system facilities on a wholesale basis until May 2013, when the County purchased Norcross' water and sewerage system. Beginning January 1, 2012, the County entered into a new agreement with DeKalb County where each party pays retail sewer rates for all wastewater treated. Residents of Lilburn, Snellville, Berkeley Lake, Grayson, Duluth, Dacula, Lawrenceville, Suwanee, and Sugar Hill who are connected to the sewer system receive their service directly from GCDWR. A portion of the residents of Buford are served by the City of Buford's wastewater treatment system, while others are served by GCDWR.

10 Largest Retail Sewerage Customers – 2020

The following tables show the 10 largest retail and wholesale customers of the sewerage system during the 12 months ended December 31, 2020. Total Gwinnett County sewer usage during the 12 months ending December 31, 2020, was 16,438,868 thousands of gallons, generating \$158,764,840 in usage revenues (excluding late fees). No single retail customer accounted for more than 0.90 percent of total sewerage system usage in 2020, and the 10 largest retail customers together accounted for 3.15 percent of such consumption. In addition to retail customers, the County also provided service to two municipal customers on a wholesale basis: DeKalb County and the City of Lawrenceville. DeKalb County produced 0.47 MGD of wastewater in 2020 and was billed \$1,430,505. The City of Lawrenceville produced 1.46 MGD of wastewater in 2020 and was billed \$4,346,513. These two wholesale customers accounted for 4.29 percent of the total Sewerage System consumption.

Customer	Thousands of Gallons-Per-Year	MGD	Total Revenues Received
Publix	146,846.5	0.40	\$ 2,365,627
Gwinnett County Jail	67,674.4	0.19	550,870
Phillips State Prison	47,069.3	0.13	383,144
VA7 Parc Shores LLC	45,214.4	0.12	368,045
Silverpoint Management	43,496.1	0.12	354,058
ROC III SGA Promenade at Berkeley	41,683.4	0.11	339,303
Berkeley Lake TT LLC	36,925.5	0.10	300,574
MTS – Sweetwater Rd Inc	36,239.5	0.10	294,990
Suzanna’s Kitchen #1	30,245.8	0.08	271,208
Suzanna’s Kitchen #2	23,159.2	0.06	237,342
TOTAL	518,554.1	1.41	\$ 5,465,161

Current Sewerage Rates: The schedule presented below shows sanitary sewer rates. The previously adopted rates approved on December 18, 2018, were replaced on October 27, 2020. This rate resolution approved water and sewer rates from 2021 through 2031 with increases in 2021, 2023, 2025, 2027, 2029, and 2031 (see schedules that follow). The sewer rates are fixed by the County and are subject to change, as the County deems advisable. Rates set by the County are not subject to approval by any outside agency.

Volume Sewer Charge

The following volumetric sewer charge shall apply to all water consumed.

Current Jan 1, 2021	Effective Jan 1, 2023	Effective Jan 1, 2025	Effective Jan 1, 2027	Effective Jan 1, 2029	Effective Jan 1, 2031
\$8.63/1,000 gal	\$9.02/1,000 gal	\$9.43/1,000 gal	\$9.86/1,000 gal	\$10.31/1,000 gal	\$10.41/1,000 gal

Note: In addition to the water base fee, all retail sewer accounts pay a base sewer fee of \$5.00 per billing period through December 31, 2022. Starting January 1, 2023, the base sewer fee will increase to \$7.50, with the exception of multi-family housing on a master meter. The base fee is separate from the volume charge for either water or sewer usage. Where one meter serves more than one unit, the monthly meter fee is \$10.00 per unit per billing period. Multi-family housing on water-only accounts shall be charged a base charge of \$7.50 per unit per billing-period. Base fees are effective until modified by the Board of Commissioners.





Industrial Surcharge

As computed for specific conditions of discharge:

Sewer System Development Charge

Water Meter Size	January 1, 2021 – 2031
¾"	\$ 4,147
1"	13,270
1½"	31,517
2"	57,643
3"	143,901
4"	230,988
6"	461,146
8"	737,751
10"	Varies*
12"	Varies*

**System development charges for meters larger than 8" will be determined by the Department of Water Resources to reflect anticipated average daily wastewater flows; insufficient data are available to develop equivalent flow factor for these large meters.*

ANNUAL FINANCIAL INFORMATION

SEC Rule 15c2-12(b)(5)(i)(A) requires annual financial information and operating data that are generally consistent with the presentation included in the Official Statement for each bond issue. The table on the following page provides a summary of combined operating results:

GWINNETT COUNTY WATER AND SEWERAGE SYSTEM AND AUTHORITY

SUMMARY OF COMBINED OPERATING RESULTS

(in thousands of dollars)

	2020	2019	2018	2017*	2016
Operating Revenues:					
Residential and commercial service	\$ 323,452	\$ 322,044	\$ 302,972	\$ 297,850	\$ 305,826
Wholesale service	5,377	6,231	4,760	5,240	4,999
Public fire protection charges to other funds	726	717	701	701	686
Connection charges	1,775	1,428	1,356	1,446	1,498
Miscellaneous	5,551	7,153	6,293	6,328	5,047
Total operating revenues	336,881	337,573	316,082	311,565	318,056
Operating Expenses:					
Water production	15,765	14,782	13,253	12,634	15,322
Distribution and collection	45,905	38,534	35,013	34,371	32,802
Engineering	8,237	7,076	6,959	5,931	5,112
Reclamation	47,236	41,671	33,956	32,072	35,708
Depreciation	90,869	93,342	97,278	96,719	81,671
General and administrative	37,443	41,081	32,414	32,625	31,890
Total operating expenses	245,455	236,486	218,873	214,352	202,505
Operating income	91,426	101,087	97,209	97,213	115,551
Non-operating Revenues (Expenses):					
Investment earnings	3,878	9,056	6,454	3,281	272
Interest expense	(13,226)	(18,544)	(19,896)	(18,858)	(25,589)
Loss on disposal of fixed assets	(1,526)	(641)	(598)	(1,962)	(1,526)
Income before operating transfers and contributions	80,552	90,958	83,169	79,674	88,708
Capital contributions	67,994	61,555	51,227	48,412	51,033
Transfers in	22	2	158	–	–
Transfers out	(165)	(165)	(165)	(165)	(165)
Increase in net position	148,403	152,350	134,389	127,921	139,576
Net position, January 1	3,152,341	2,999,991	2,865,602	2,744,044	2,604,468
Impact of restatement	–	–	–	(6,363)	–
Net position, December 31	\$ 3,300,744	\$ 3,152,341	\$ 2,999,991	\$ 2,865,602	\$ 2,744,044

*2017 net position was restated due to the implementation of GASB Statement No. 75.

SECURITY FOR THE BONDS

General

The Series 2011, 2015, 2016, 2016A, 2019, and 2020 Bonds are limited, special obligations of the Authority. The County and the Authority have entered into a Lease Agreement (the "Lease") dated November 1, 1985, and subsequently amended by the Amended and Restated Lease Contract in 1997 and supplemented by the Supplemental Lease Contract (the "Supplemental Lease") dated as of October 1, 2004, by which the Authority leased to the County all of its water and sewer facilities (collectively referred to as the "System"). Facilities acquired after November 1, 1985, are part of the System. The Lease is in effect until all revenue bonds are paid in full, but no later than October 1, 2054. The County manages and operates the System under the terms of the Lease and pledges the County's full faith and credit and taxing power as security for the revenue bonds issued by the Authority.

All bonds issued after execution of the Supplemental Lease are expressly junior and subordinates to the pledge of the net revenues with respect to bonds issued prior to that date. Lease payments equal to the debt service of all first and second lien bonds are to be paid directly by the County, on behalf of the Authority, into the Sinking Fund. The revenues of the Authority representing the lease payments from the County, as provided in the lease, have been pledged to the payment of the principal and interest on the Series 2011, 2015, 2016, 2016A, 2019, and 2020 Bonds, and any additional bonds or obligations issued therewith.

The Water and Sewerage Authority issued \$163,615,000 in refunding bonds ("2011 Refunding Bonds") on July 1, 2011. The 2011 Refunding Bonds were issued to: 1) refund the 2003B Bonds and 2) pay costs related to the issuance of the Bonds. The 2011 Refunding Bonds were issued at a true interest cost of 2.92 percent and resulted in net present value savings of \$9.4 million, or 5.5 percent of the refunded par amount.

In September and October 2014, the Gwinnett Water and Sewerage Authority and the Gwinnett Board of Commissioners approved resolutions allowing the Authority to move forward with refunding the callable maturities of the 2005 Water and Sewerage Revenue Bonds on a forward/delayed delivery basis. On August 3, 2015, the Water and Sewerage Authority issued \$127,215,000 in Refunding Bonds ("2015 Refunding Bonds"). The 2015 Refunding Bonds were issued at a true interest cost of 1.74 percent and resulted in a total debt service savings of \$9.8 million and a net present value savings of \$9.2 million, or 7.3 percent of the refunded par amount. The debt service savings began in 2016.

In April 2016, the Gwinnett Water and Sewerage Authority and the Gwinnett County Board of Commissioners approved a resolution to provide for the issuance of Gwinnett County Water and Sewerage Authority Revenue Refunding Bonds, Series 2016A (the "Series 2016A Bonds") pursuant to and in conformity with the terms and conditions of a Trust Indenture dated as of October 1, 2004, between the Authority and the Bank of New York Mellon Trust Company, N.A., as Trustee, as supplemented, to finance, in whole or in part, the cost of acquiring by redemption, payment or otherwise all of the Gwinnett County Water and Sewerage Authority Revenue Bonds, Series 2008 maturing on and after August 1, 2019 and paying expenses necessary to accomplish same. This authorized the execution and delivery of a Supplemental Lease Contract with Gwinnett County, Georgia, in connection to provide for the redemption of the Series 2008 Bonds to be refunded.

The Water and Sewerage Authority issued \$128,540,000 in refunding bonds ("2019 Refunding Bonds") on September 26, 2019. The 2019 Refunding Bonds were issued to: 1) refund the 2009 A and B Refunding Bonds and 2) pay costs related to the issuance of the bonds. The 2019 Refunding Bonds were issued at a true interest cost of 1.51 percent and resulted in net present value savings of \$18.2 million, or 11.7 percent of the refunded par amount.

The Water and Sewerage Authority issued \$176,895,000 in revenue bonds ("Series 2020 Bonds") on December 15, 2020. The 2020 Revenue Bonds were issued to supplement other available funds for financing needed capital projects. The 2020 Revenue Bonds were issued at a true interest cost of 1.79 percent.

Revenue Fund and Lease Payments

All revenue derived from ownership and operation of the System or from properties in connection therewith shall be collected by the County and deposited promptly into the Revenue Fund created pursuant to the Lease. The County shall first pay from the Revenue Fund the reasonable and necessary costs of operating and maintaining the System in accordance with sound business practices, but before making provisions for depreciation, interest expense, and amortization. The net revenues remaining in the Revenue Fund after the payment of such operating expenses, as provided in the Lease and the Supplemental Lease, are pledged to the payment of interest and principal of outstanding first and second lien debt. Net revenues remaining after the payment of debt service are paid to the Renewal and Extension Fund for the funding of capital projects.

The Lease requires the County to revise and adjust, as often as it shall appear necessary, the schedule of rates, fees, and charges for water and sewerage services and facilities to produce funds sufficient to operate and maintain the System on a sound businesslike basis and to make the lease payments as required. Pursuant to the Lease, the County has covenanted that such rates, fees, and charges shall be maintained at such level so as to produce net revenues equal to at least 1.2 times the debt service requirement in the then current year and, taking into account amounts on deposit therein, to create and maintain by the end of each year a balance in the Renewal and Extension Fund of not less than \$3,000,000.

Additional Bonds

As stated in the Supplemental Lease, the Authority will not issue additional bonds under the first lien debt after October 1, 2004. However, the Supplemental Lease does not restrict the issuance of additional second lien bonds. The following conditions must be met before the issuance of additional bonds:

- (a) None of the outstanding first and second lien bonds are in default as to payment of principal and interest; the Authority remains in compliance with the Lease as supplemented and amended; the County is in compliance with the Lease and has consented in writing to the issuance of such additional bonds.
- (b) All of the payments to the Sinking Fund for both first and second lien bonds are currently being made in full as required.
- (c) A firm of independent certified public accountants shall have certified that based on net revenues for a period of 12 full consecutive calendar months out of 18 consecutive calendar months preceding the month of adoption of the proceedings for the issuance of such additional bonds, the debt service coverage ratio for each full Sinking Fund year subsequent to issuance of the proposed additional bonds shall not be less than 1.10.
- (d) If such proposed additional bonds are issued to finance a capital project, the Authority shall have received a report of the Consulting Engineers setting forth the description of the project and projected future debt service coverage ratios.
- (e) All procedures relating to authorization of additional bonds and subsequent validation proceedings are followed.

ANNUAL DEBT SERVICE REQUIREMENTS

Debt service requirements on the Water and Sewerage Authority Revenue Bonds, Series 2011, 2015, 2016, 2016A, 2019, and 2020 are as follows:

Bond Year Ending December 31	Second Lien					
	Debt Service Requirements 2011	Debt Service Requirements 2015	Debt Service Requirements 2016	Debt Service Requirements 2016A	Debt Service Requirements 2019	Debt Service Requirements 2020
2021	18,364,700	8,569,710	15,991,283	11,932,974	16,688,000	6,292,535
2022	18,366,500	8,515,638	15,989,937	11,982,564	16,685,000	8,289,295
2023	18,371,000	–	15,989,619	21,905,428	16,690,250	8,289,545
2024	18,367,500	–	15,990,245	21,903,398	16,692,000	8,291,045
2025	18,364,500	–	15,991,730	21,905,040	16,689,000	8,293,295
2026 – 2030	–	–	47,966,769	–	66,730,750	41,454,725
2031 – 2035	–	–	–	–	–	41,451,025
2036 – 2040	–	–	–	–	–	41,452,247
2041 – 2045	–	–	–	–	–	41,460,780
2046 – 2050	–	–	–	–	–	41,455,170
Total	91,834,200	17,085,348	127,919,583	89,629,404	150,175,000	246,729,662

AUDITED ANNUAL FINANCIAL STATEMENTS

The Financial Section of this Comprehensive Annual Financial Report contains the County's Financial Statements with related Independent Auditors' Report. The County also has separately issued financial statements for the Water and Sewerage Authority, with related Independent Auditors' Report. These statements are consistent with the financial statements contained in the Official Statements in compliance with SEC Rule 15c2-12(b)(5)(i)(A) and (B).

OTHER INFORMATION

Other relevant information is located in the Statistical Section of this Annual Report.



Gwinnett

COUNTY GOVERNMENT

Gwinnett Justice & Administration Center
75 Langley Drive | Lawrenceville, Georgia
GwinnettCounty.com

The County maintains several online resources to provide residents and businesses with detailed information about Gwinnett's financial operations.

Visit us at GwinnettCounty.com and click on the *Your Money* button.

[Guide to the Budget](#)

[Where Your Property Taxes Go](#)

[SPLOST](#)

[Archive: Financial Reports](#)

PREPARED BY:

Department of Financial Services

**EDITING, LAYOUT & DESIGN,
& PHOTOGRAPHS:**

Communications Division

CREATED:

Summer 2021

We would like to express our appreciation to department directors and elected officials, Financial Services staff, Communications staff, and staff members in other departments for their exceptional contributions to the preparation of this document.

Questions about this document?

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